

14421 County Rd. 10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

August 8, 2006

Division of Oil, Gas & Mining 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, UT 84114-5801 Attn: Minerals

Re:

**Gasco Production Company** 

Federal #32-19-9-19
2043' FNL and 2133' FEL
SW NE Section 19, T9S - R19E
Uintah County, Utah

#### Gentlemen:

Enclosed please find one copy of the Application for Permit to Drill, along with one copy of the Onshore Order No. 1 which was filed with the BLM in Vernal, Utah.

If you should need additional information, please don't hesitate to contact me. Approved copies of the A.P.D. should be sent to Permitco Inc. at the address shown above.

Sincerely,

PERMITCO INC.

Venessa Langmacher

Consultant for

**Gasco Production Company** 

Lonessa Sugmachel

RECEIVED

AUG 1 0 2006

Enc.

DIV. OF OIL, GAR & MINING

# • STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

| AMENDED REPORT      |  |
|---------------------|--|
| (highlight changes) |  |

|                     | APPLICATION FOR   | DEDMIT                   | TO DDII I                          | 5. MINERAL LEASE NO.:            | 6. SURFACE:                             |
|---------------------|---|--------------------------|------------------------------------|----------------------------------|---|
|                     |   | PERMIT                   | TO DRILL                           | UTU-76033                        | BLM                                     |
| 1A. TYPE OF WO      | rk: DRILL 🛣 REENTER 🗆   | 7. IF INDIAN, ALLOTTEE C | OR TRIBE NAME:                     |                                  |   |
|                     | OIL CAS (M) OTHER   | CINI                     | GLE ZONE 📉 MULTIPLE ZON            | N/A  8. UNIT OF CA AGREEMEN      | IT NAME:                                |
| B. TYPE OF WE       | LL: OIL GAS 🛣 OTHER   | SIN                      | GLE ZONE 🔼 MULTIPLE ZON            | N/A                              |   |
| 2. NAME OF OPE      | RATOR:  |                          |                                    | 9. WELL NAME and NUMB            | ER:                                     |
| Gasco Pro           | oduction Company  |                          |                                    | Federal #32-19-9                 |   |
| 3. ADDRESS OF 0     | OPERATOR:   |                          | PHONE NUMBER:                      | 10. FIELD AND POOL, OR           | WILDCAT: Lef                            |
|                     | ss Drive East, Suite 100, Englewoo                                      | d, CO 80112              | 303-483-0044                       | 11. QTR/QTR, SECTION, 1          | Viette Benete                           |
| 4. LOCATION OF      | WELL (FOOTAGES)   |                          | 40.018060                          | MERIDIAN:                        |   |
| AT SURFACE:         |   | and 2133' FE             |                                    | Sec. 19, T9S-R1                  | 9E                                      |
|                     | PRODUCING ZONE: SW NE   | - 10 . (                 | -109. 80 5600                      |                                  |   |
| 44 DISTANCE IN      | 4430 MILES AND DIRECTION FROM NEAREST TOWN OR                           | ) 218 Y                  |                                    | 12. COUNTY:                      | 13. STATE:                              |
|                     |   |                          |                                    | Uintah                           | Utah                                    |
| 15. DISTANCE TO     | mately 27 miles southeast of Myto NEAREST PROPERTY OR LEASE LINE (FEET) | 16. NUMBI                | ER OF ACRES IN LEASE:              | 17. NUMBER OF ACRES ASSIGNE      |   |
|                     | 2043'   |                          | 600.00                             | 40 Acres;                        | SW NE                                   |
|                     | D NEAREST WELL (DRILLING, COMPLETED, OR                                 | 19. PROPO                | OSED DEPTH:                        | 20. BOND DESCRIPTION:            |   |
| APPLIED FOR         | None  |                          | 13,060'                            | Bond #U1                         | Г-1233                                  |
| 21. ELEVATIONS      | (SHOW WHETHER DF, RT, GR, ETC.):  | 22. APPRO                | DXIMATE DATE WORK WILL START:      | 23. ESTIMATED DURATION:          |   |
|                     | 4840' GL  |                          | ASAP                               | 35 Da                            | ys                                      |
| 24.                 | PROP  | OSED CASIN               | NG AND CEMENTING PRO               | GRAM                             |   |
| SIZE OF HOLE        | CASING SIZE, GRADE, AND WEIGHT PER FOOT                                 | SETTING DEPTH            | CEMENT TYPE                        | E, QUANTITY, YIELD, AND SLURRY W | EIGHT                                   |
| 17-1/2"             | 13-3/8", H40, 48#   | 200'                     |                                    | nium Type 5, 15.6 ppg, 1.1       |   |
| 12-1/4"             | 8-5/8", J-55, 32#   | 3,528'                   | 591 sx Hi-Lift, 11 ppg, 3.9        | <del></del>                      |   |
| <u>7-7/8"</u>       | 4-1/2", P110, 13.5#   | 13,060'                  | 523 sx Hi-Lift, 11.5 ppg, 3.0      | 05 yield & 1347 sx 50-50 Po      | z, 14.1 ppg, 1.28 yield                 |
|                     |   |                          |                                    |                                  |   |
|                     |   |                          |                                    |                                  |   |
|                     |   |                          |                                    | <u> </u>                         |   |
|                     |   |                          |                                    |                                  |   |
| 25.                 |   |                          | ATTACHMENTS                        |                                  |   |
| VERIFY THE FOL      | LOWING ARE ATTACHED IN ACCORDANCE WITH T                                | THE UTAH OIL AND         | GAS CONSERVATION GENERAL RULE      | S:                               |   |
| ✓ WELL PL           | AT OR MAP PREPARED BY LICENSED SURVEYOR (                               | OR ENGINEER              | COMPLETE DRILLING F                | PROGRAM                          |   |
| ✓ EVIDENC           | E OF DIVISION OF WATER RIGHTS APPROVAL FOR                              | R USE OF WATER           | FORM 5, IF OPERATOR                | IS PERSON OR COMPANY OTHER TI    | HAN THE LEASE OWNER                     |
|                     | 1.6   |                          |                                    | A OFNITIO BUONE N                | 000 057 0000                            |
| AGENT: Pe           | ermitCo Inc.  |                          | <b>.</b>                           | AGENT'S PHONE NO                 | *************************************** |
| NAME (PLEASE        | Venessa Langmacher  |                          | TITLE Age                          | ent for Gasco Production         | Company                                 |
| SIGNATURE           | Managa Spanga   | aches                    | DATE Au                            | gust 8, 2006                     |   |
| (This space for Sta | te use only)  |                          |                                    | a Cart                           |   |
|                     | 10  |                          | Approved by the                    | Editor time                      |   |
| API NUMBER ASS      | IGNED: 43-047-38466   |                          | Utch Divippion of                  | REC                              | EIVED                                   |
|                     | •   | <u>(</u> ,               | T, Gas and Mining                  | ,                                |   |
|                     | a of this   | Date: \( \)              | 82-14-0A]//                        | AUG :                            | 1 0 2006                                |
| (11/2001)           | Federal Approval of this  | By:                      | (See instructions of Revente Side) | XI                               |   |
|                     | Paderal Approver Action is Nacessary                                    |                          | - (//                              | DIV. OF OIL, (                   | GAS & MINING                            |

T9S, R19E, S.L.B.&M. 18 19  $\mathcal{F}$ EN89\*54'23"W - 2635.05' (Meas.) N89°55'10"W - 2643.75' (Meas.) 1910 Brass Cap. Brass Cap. 1910 Brass Cap 0.7' High 1.0' High 0.4' High, N-S Fenceline FEDERAL #32-19-9-19 Elev. Ungraded Ground = 4840 2133' 1910 Brass Cap, 1.2' High, N-S *3,,61,10.00*0 Fenceline 1910 Brass Cap, Brass Cap. 1.5' 1910 Brass Cap, 1.2' High, Pile High, Pile of 0.5' High, Pile of Stones, N-S Stones of Stones Fenceline N89°58'33"W - 2634.69' (Meas.) N89°54'02"W - 2642.39' (Meas.)

## LEGEND:

= 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

## (AUTONOMOUS NAD 83)

LATITUDE =  $40^{\circ}01'04.98"$  (40.018050)

LONGITUDE =  $109^{\circ}49'16.91"$  (109.821364)

(AUTONOMOUS NAD 27)

LATITUDE =  $40^{\circ}01'05.11"$  (40.018086)

LONGITUDE =  $109^{\circ}49'14.40''$  (109.820667)

## GASCO PRODUCTION COMPANY

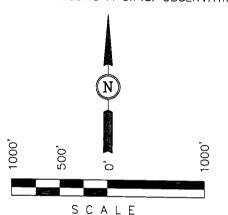
Well location, FEDERAL #32-19-9-19, located as shown in the SW 1/4 NE 1/4 of Section 19, T9S, R19E, S.L.B.&M. Uintah County, Utah.

## BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE NORTHEAST CORNER OF SECTION 21, T9S, R19E, S.L.B.&M. TAKEN FROM THE UTELAND BUTTE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4711 FEET.

## BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319 STATE OF UTAH

# UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

| (,,,                | 0) 100 1011              |                         |
|---------------------|--------------------------|-------------------------|
| SCALE<br>1" = 1000' | DATE SURVEYED: 09-07-05  | DATE DRAWN:<br>09-14-05 |
| J.W. C.W. P.M.      | REFERENCES<br>G.L.O. PLA | AT                      |
| WEATHER             | FILE                     |                         |
| WARM                | GASCO PRODU              | JCTION COMPANY          |

## **CONFIDENTIAL - TIGHT HOLE**

**ONSHORE OIL & GAS ORDER NO. 1** 

Approval of Operations on Onshore Federal and Indian Oil & Gas Leases

Federal #32-19-9-19
2043' FNL and 2133' FEL
SW NE Section 19, T9S - R19E
Uintah County, Utah

**Prepared For:** 

**Gasco Production Company** 

By:

PERMITCO INC. 14421 County Road 10 Ft. Lupton, Colorado 80621 303/857-9999 Carlette all Maria Color

## **Copies Sent To:**

- 3 Bureau of Land Management Vernal, UT
- 1 Utah Division of Oil, Gas & Mining SLC, UT
- 2 Gasco Production Company Englewood, CO
- 1 Shawn Elworthy Roosevelt, UT



## APPLICATION FOR PERMIT TO DRILL OR REENTER

## 24. Attachments

| The | following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:  |
|-----|---|
| 1.  | Well plat certified by a registered surveyor.  Attached.  |
| 2.  | A Drilling Plan Attached.   |
| 3.  | A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the Appropriate Forest Service Office.  See Surface Use Plan Attached.   |
| 4.  | Bond to cover the operations unless covered by an existing bond on file (see Item 20).  Bond coverage for this well is provided by Gasco Production Company under their BLM Bond No. Bond #UT-1233.   |
| 5.  | Operator certification.  Please be advised that Gasco Production Company is considered to be the operator of the above mentioned well.  Gasco Production Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. |
| 6.  | Such other site specific information and/or plans as may be required by the authorized officer.   |

Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 2

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

## 1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

| Formation     | Depth   | Subsea  |
|---------------|---------|---------|
| Wasatch       | 5,525'  | -675'   |
| Mesaverde     | 9,325'  | -4,475' |
| Castlegate    | 11,830' | -6,980' |
| Blackhawk     | 12,055' | -7,205' |
| Spring Canyon | 12,760' | -7,910' |
| TD            | 13,060' | -8,210' |

## 2. ESTIMATED DEPTH OF ANTICIPATED WATER, OIL, GAS OR MINERAL FORMATIONS:

| Substance | Formation | Depth           |
|-----------|-----------|-----------------|
| Gas       | Wasatch   | 5,700'-9,325'   |
| Gas       | Mesaverde | 9,325'-11,830'  |
| Gas       | Blackhawk | 12,055'-12,760' |

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 3

### 3. PRESSURE CONTROL EQUIPMENT

Gasco Production Company's minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double with annular, 5000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.



Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 4

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 11", 5000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is <u>not</u> to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit <u>all</u> tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

## 4. PROPOSED CASING AND CEMENTING PROGRAM:

a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.



Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 5

- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.



Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 6

- I. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- m. The proposed casing program will be as follows:

| Purpose    | Depth     | Hole Size | O.D.    | Weight | Grade | Туре | New/Used |
|------------|-----------|-----------|---------|--------|-------|------|----------|
| Conductor  | 0-200'    | 17-1/2"   | 13-3/8" | 48#    | H-40  |      | New      |
| Surface    | 0-3,528'  | 12-1/4"   | 8-5/8"  | 32#    | J-55  | ST&C | New      |
| Production | 0-13,060' | 7-7/8"    | 4-1/2"  | 13.5#  | P-110 | LT&C | New      |

- n. Casing design subject to revision based on geologic conditions encountered.
- o. The cement program will be as follows:

| Conductor                | Type and Amount   |
|--------------------------|---|
| Conductor                | 200 sx Premium Type 5 mixed @ 15.6 ppg, 1.18 yield  |
| Surface                  | Type and Amount   |
| TOC @ Surface            | Lead: 591 sx Hi-Lift @ 11 ppg, 3.91 yield<br>Tail: 185 sx 10-2 RFC @ 14.2 ppg, 1.63 yield     |
| Production               | Type and Amount   |
| TOC @ 2,500 <sup>t</sup> | Lead: 523 sx Hi-Lite @ 11.5 ppg, 3.05 yield<br>Tail: 1347 sx 50:50 Poz @ 14.1 ppg, 1.28 yield |

p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.



Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 7

- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
  - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
    - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
    - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
  - 1. Kelly cock
  - 2. No bit float is deemed necessary.
  - 3. A sub with a full opening valve.

## 5. MUD PROGRAM

a. The proposed circulating mediums to be employed in drilling are as follows:

| Interval      | Mud Type        | Mud Wt.  | Visc. | F/L   | PH  |
|---------------|-----------------|----------|-------|-------|-----|
| 0' - 200'     | Fresh Water     | 8.33     | 1     |       | 7   |
| 200' - 3,528' | Fresh Water     | 8.33     | 1     |       | 7-8 |
| 3,528' - TD   | Fresh Water/DAP | 9.0-11.5 | 30-40 | 12-20 | 8   |



Lease No. UTU-76033

DRILLING PROGRAM
Page 8

There will be sufficient mud on location to control a blowout should one occur. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment to be used is as follows:
  - 1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

#### 6. EVALUATION PROGRAM

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Lease No. UTU-76033

DRILLING PROGRAM
Page 9

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of a Schlumberger Platform Express (or equivalent) to be run from base of surface casing to TD.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cutting, fluids, and/or gases0 will be submitted when requested by the authorized officer (AO).
- e. The anticipated completion program is as follows: Perform multistage fracs and complete all productive Blackhawk, Mesaverde and Wasatch sands present in wellbore. Produce all zones commingled.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

## 7. ABNORMAL TEMPERATURES OR PRESSURES

- a. The expected bottom hole pressure is 7314 psi. The maximum bottom hole temperature anticipated is 222 degrees F.
- b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 5000# BOP and rotating head.



Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 10

## 8. ANTICIPATED STARTING DATES AND NOTIFICATION OF OPERATIONS

- a. Drilling is planned to commence on upon approval of this application.
- b. It is anticipated that the drilling of this well will take approximately 35 days.
- c. The BLM in Vernal, Utah shall be notified of the anticipated date of location construction commencement and of anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. <u>Immediate Report:</u> Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.



Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 11

- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- I. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.



**CONFIDENTIAL - TIGHT HOLE** 

ONSHORE ORDER NO. 1
Gasco Production Company
Federal #32-19-9-19
2043' FNL and 2133' FEL
SW NE Section 19, T9S - R19E
Uintah County, Utah

Lease No. UTU-76033

**DRILLING PROGRAM** 

Page 12

Bureau of Land Management 170 South 500 East Vernal, Utah 84078

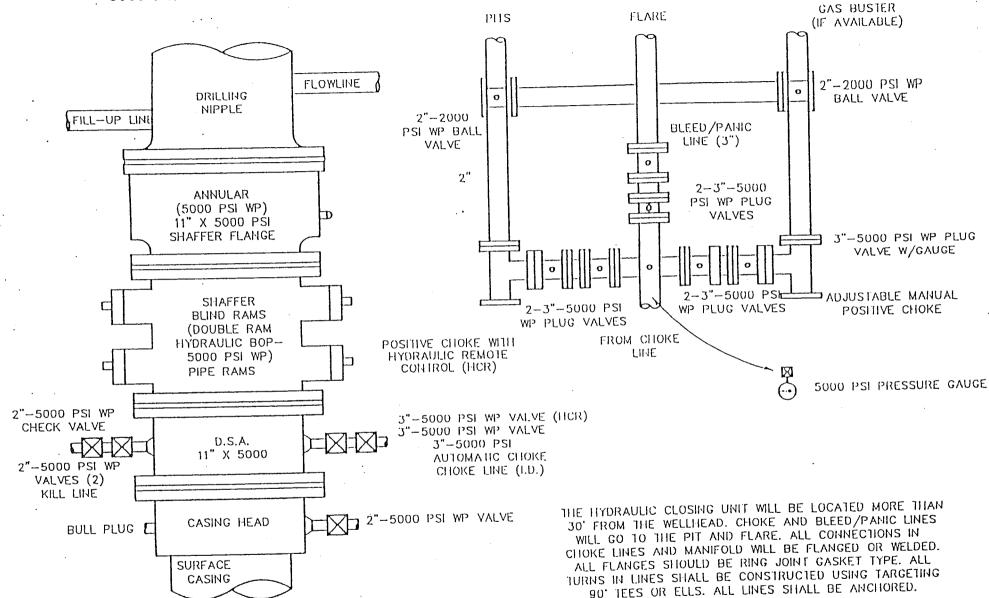
Phone: 435/781-4400

Fax: 435/781-4410

After Hours:

| Matt Baker  | Petroleum Engineer | 435/828-4470 |
|-------------|--------------------|--------------|
| Michael Lee | Petroleum Engineer | 435/828-7875 |





**CONFIDENTIAL - TIGHT HOLE** ONSHORE ORDER NO. 1

Gasco Production Company Federal #32-19-9-19 2043' FNL and 2133' FEL

SW NE Section 19, T9S - R19E

Uintah County, Utah

Lease No. UTU-76033

SURFACE USE PLAN

Page 1

## **ONSHORE OIL & GAS ORDER NO. 1** NOTIFICATION REQUIREMENTS

Location Construction -

forty-eight (48) hours prior to construction of location and access roads.

Location Completion -

prior to moving on the drilling rig.

Spud Notice

Cementing

at least twenty-four (24) hours prior to spudding the well.

Casing String and

twenty-four (24) hours prior to running casing and

cementing all casing strings.

**BOP** and Related

**Equipment Tests** 

twenty-four (24) hours prior to initiating pressure tests.

First Production -

Notice

within five (5) business days after new well begins or

production resumes after well has been off production for more than

ninety (90) days.

The onsite inspection for the subject well site was conducted on Tuesday, March 14, 2006 at approximately 2:15 p.m. Weather conditions were warm and clear. In attendance at the onsite inspection were the following individuals:

Chris Carusona

Natural Resource Specialist Bureau of Land Management

Charlie Sharp

**Botanist** 

Bureau of Land Management

Brandon McDonald

Wildlife Biologist

Bureau of Land Management

Bekee McGown

T & E Biologist

U.S. Fish & Wildlife

Lisa Smith Randy Smith Permitting Agent Field Assistant

Permitco Inc. Permitco Inc.

Caleb Rounsaville Shawn Elworthy

Production Superintendent Gasco Production Company

Shawn Hawk

Field Supervisor

Gasco Production Company

Surveyor

Uintah Engineering and Land Surveying

#### 1. **EXISTING ROADS**

The proposed well site is located approximately 27 miles southeast of Myton, Utah. a.



Lease No. UTU-76033

SURFACE USE PLAN

Page 2

b. Directions to the location from Myton, Utah are as follows:

Proceed southwesterly on Highway 40 for 1.5 miles. Turn left and proceed southeasterly for approximately 11 miles to the Castle Peak Mine. Turn left and proceed east for approximately 12.7 miles on the 8 mile flat road. Turn right and proceed southerly 1.2 miles. Turn left onto an existing road to be upgraded and proceed southerly 0.5 miles until reaching the proposed location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to existing main roads will not be required.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

### 2. PLANNED ACCESS ROADS

- a. Approximately 0.5 miles of existing road will be upgraded. There will be approximately 0.25 miles of new access to be constructed for the proposed loop road.
- b. The maximum grade of the new construction will be approximately 3%.
- c. No culverts or low water crossings will be necessary.
- d. The last 0.75 miles of new access road was centerline flagged at the time of staking.
- e. The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.
- f. No cattle guards will be necessary.
- g. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.



Lease No. UTU-76033

**SURFACE USE PLAN** 

Page 3

- h. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. (1989).
- i. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- j. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- k. No road right of way will be required.

# 3. <u>LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION.</u> (See Map "C")

- a. Water wells none
- b. Injection wells none
- c. Producing wells one
- d. Drilling wells none
- e. Disposal wells -none
- f. Abandoned wells four
- g. Dry Holes none



Lease No. UTU-76033

SURFACE USE PLAN

Page 4

## 4. LOCATION OF TANK BATTERIES AND PRODUCTION FACILITIES.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Carlsbad Canyon. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. If the well is productive, a production facility layout will be submitted via sundry.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flow line will be buried or anchored down from the wellhead to the separator. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.



Lease No. UTU-76033

**SURFACE USE PLAN** 

Page 5

- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- 1. The road will be maintained in a safe useable condition.
- m. Produced water will be stored in a 300 bbl heated, insulated tank, then hauled to a commercial disposal site such as Disposal Inc., or Brennan Bottom.
- n. Pipelines will follow the route shown on Map D. See Pipeline detail attached. Pipeline ROW will be necessary for the portion of pipeline located off lease in Section 30, T9S-R19E. We are requesting that this APD be used as our ROW application. Please notify us once a category determination has been made so that we may send the necessary filing fees.

## 5. LOCATION AND TYPE OF WATER SUPPLY

- a. The proposed water source will be the Nebecker Water Service at the Nebecker Water Station in Myton, permit #43-1721.
- b. Water will be hauled by Nebecker Water Service to the location over the access roads shown on Maps A and B.
- c. No water well will be drilled on this lease.

#### 6. SOURCE OF CONSTRUCTION MATERIAL

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.



Lease No. UTU-76033

SURFACE USE PLAN

Page 6

## 7. METHODS OF HANDLING WASTE DISPOSAL

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. At the request of the BLM, the reserve pit will be lined with a 12 mil liner. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

## 8. ANCILLARY FACILITIES

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.



Lease No. UTU-76033

**SURFACE USE PLAN** 

Page 7

#### 9. WELL SITE LAYOUT

- a. The operator or his/her contractor shall contact the BLM Office at 435/781-4400 forty-eight (48) hours prior to construction activities.
- b. The reserve pit will be located on the north side of the location.
- c. The flare pit will be located on the east side of the reserve pit, a minimum of 100 feet from the well head and 20 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the south side of the location, between Corners 2 and 8 near the wellpad. Topsoil along the access route will be wind rowed on the uphill side.
- e. Access to the well pad will be from the east as shown on the Pit & Pad Layout.
- f. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- h. All pits will be fenced according to the following minimum standards:
  - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
  - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
  - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
  - 4. Standard steel, wood, or pipe posts shall be used between the corner braces.

    Maximum distance between any two posts shall be no greater than 16 feet.



Lease No. UTU-76033

SURFACE USE PLAN Page 8

5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

i. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

### 10. PLANS FOR RESTORATION OF SURFACE

### **Producing Location**

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities or operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. A seed mixture will be specified by the Bureau of Land Management in their Conditions of Approval for the subject well.
  - Seeding will be performed immediately after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. Seed will be broadcast and walked in with a dozer.
- f. The topsoil stockpile will be seeded as soon as the location has been constructed with the same recommended seed mix. The seed will be walked in with a cat.



Lease No. UTU-76033

SURFACE USE PLAN

Page 9

g. The following seed mixture has been recommended by the BLM.

| Species            | #/s per Acre |
|--------------------|--------------|
| Western Wheatgrass | 6            |
| Galletta           | 6            |
| TOTAL              | 12           |

## **Dry Hole**

h. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

#### Interim Surface Reclamation will be as follows:

- 1. Immediately after final well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production operations.
- 2. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in the reserve pit will be removed. Other waste and spoil materials will be disposed of immediately, weather permitting, upon final well completion.
- 3. If a synthetic, nylon re-enforced, liner is used, the excess liner will be cut off and removed and the remaining liner will be torn and perforated while backfilling the reserve pit.

  Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The liner will be buried to a minimum of four (4) feet deep.
- 4. The reserve pit will be reclaimed within 180 days from the date of final well completion, weather permitting.
- 5. The reserve pit and that portion of the location not needed for production and storage facilities, and everyday production operations, will be reshaped to the approximate original contours to the extent possible. This will be completed by backfilling and crowning the pit to prevent water from standing. Topsoil will be re-spread up to the rig anchor points,



**CONFIDENTIAL - TIGHT HOLE** 

ONSHORE ORDER NO. 1
Gasco Production Company
Federal #32-19-9-19
2043' FNL and 2133' FEL
SW NE Section 19, T9S - R19E
Uintah County, Utah

Lease No. UTU-76033

SURFACE USE PLAN Page 10

excluding the area needed for production and storage facilities and everyday production operations. Re-seeding, using appropriate reclamation methods, will occur immediately following the re-spreading of topsoil, weather permitting. The Authorized Officer will provide a seed mixture to re-vegetate the reserve pit and other unused disturbed areas at the time of the onsite.

### 11. SURFACE OWNERSHIP

Access Roads - The majority of the access roads are maintained by the County Road Department or the Bureau of Land Management.

Well pad - The well pad is located on lands managed by the BLM.

#### 12. OTHER INFORMATION

- a. A Class III archeological survey and paleontological report has been conducted by SWCA. No significant cultural resources were found and clearance is recommended. A copy of this report (dated August, 2005) is on file with the BLM.
- b. A Special Status Plant and Wildlife Report has been prepared by SWCA Environmental Consultants and is attached.
- c. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
  - -whether the materials appear eligible for the National Register of Historic Places;
  - -the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and



Lease No. UTU-76033

SURFACE USE PLAN Page 11

-a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- d. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- e. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- h. There will be no deviation from the proposed drilling and/or work over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.



**JUNFIDENTIAL - TIGHT HOLE** 

Lease No. UTU-76033

SURFACE USE PLAN

Page 12

- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- k. The operator or his contractor shall contact the BLM Offices at 435/781-4400 48 hours prior to construction activities.
- I. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

#### 13. LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

Permit Matters **Drilling & Completion Matters** 

PERMITCO INC. **Gasco Production Company** 

14421 County Road 10 8 Inverness Drive East, Suite 100 Ft. Lupton, CO 80621 Englewood, CO 80112 303/857-9999 (O) John Longwell 303/483-0044 (O) 303/857-0577 (F)

Lisa Smith 303/483-0011(F)

Shawn Elworthy - Field Superintendent

Roosevelt, UT 435-823-4272 (cell)

#### CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Gasco Production Company and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

April 7, 2006

Date:

Authorized Agent for:

Gasco Production Company



## PIPELINE INFORMATION Federal #32-19-9-19

- 1. The type of pipeline is a single well flow line.
- 2. The outside diameter (O.D.) of all will be 8 inches maximum.
- 3. The anticipated production through the line is approximately 2000 MCF per day.
- 4. The anticipated maximum test pressure is 1000 psi.
- 5. The anticipated operating pressure is 100-200 psi.
- 6. The type of pipe is steel.
- 7. The method of coupling is welded.
- 8. There are no other pipelines to be associated in the same right of way.
- 9. There will be other objects to be associated in the same right of way. (Risers, Pig Launchers Pig Traps, meters and other appurtenances as required.)
- 10. The total length of pipeline is approximately 7,150 feet (3,000' located off-lease and 4,150' located on-lease) see Map D. ROW is requested for the portion of pipeline located in Section 30, T9S-R19E.
- Due to the rocky nature of the area, and shallow soils, the line will be laid on the surface as shown on Map D. The pipeline will follow existing or proposed roads.
- 12. The construction width for total surface disturbing activities is 30 feet.
- 13. The estimated total acreage involving all surface disturbing activities is 4.9 acres.
- 14. Any surface disturbance created as a result of the pipeline construction will be reclaimed utilizing the reclamation procedures and seed mixture specified by the Bureau of Land Management.
- 15. The line will be tested with gas pressure to 1000 psi.



## FEDERAL STIPULATIONS AND TIMING RESTRICTIONS

In order to mitigate adverse impacts to burrowing owls, no new construction or surface disturbing activities would occur within 0.5 miles of the 32-19-9-19 during the nesting season of April 1<sup>st</sup> and July 15<sup>th</sup>. If new construction or surface disturbing activities are scheduled between April 1<sup>st</sup> and August 15<sup>th</sup>, a preconstruction presence/absence survey would be conducted by a qualified biologist acceptable to the Vernal BLM and using approved survey protocol after July 15<sup>th</sup> to detect the presence of nesting burrowing owls. If burrowing owls are not present, construction could begin. If nesting owls are documented during the survey, no construction or surface disturbing activities would occur until the adult birds and their young disperse.



## **ARCHEOLOGY**

A Class III Archeological Survey has been conducted by SWCA. No significant cultural resources found and clearance has been recommended. A copy of this report (dated August, 2005) is on file with the BLM.



# SPECIAL STATUS PLANT AND WILDLIFE SPECIES REPORT

# GASCO PRODUCTION COMPANY ACCESS ROADS, PIPELINES, WELL PADS

RIVERBEND UNIT 12-19-9-19 SWNW SECTION 19 T 9S R 19E

RIVERBEND UNIT 32-19-9-19 SWNE SECTION 19 T 9S R 19E

UINTAH COUNTY, UTAH

Prepared by SWCA Environmental Consultants Salt Lake City, Utah

#### PROPOSED PROJECT:

Gasco Production Company (Gasco) proposes to construct, operate, and maintain well locations, access roads, and pipelines in the above legal locations. The proposed facilities would be located on lands administered by the Bureau of Land Management (BLM) in Uintah County, Utah. The lengths and acreage of the proposed access roads, pipelines, and well pads can be found in the table below. Pipelines would be constructed only if the well goes into production.

|            | a varable 12 Prop | osedWejL\$ŭriaĉelDi                              | SVIDATICES A |  |
|------------|-------------------|--|--------------|--|
| WELL NAME  |                   | PIPELINE<br>L'ENGTH/SURFACE<br>AREA (Feet/Acres) | (Acres)      | TOTAL<br>SURFACE<br>DISTURBANCE<br>(Acres) |
| 12-19-9-19 | 1024 / 0.7        | 820 / 0.8  | 3.7          | 5.2  |
| 32-19-9-19 | 1293 / 0.9        | 1312 / 1.2                                       | 3.7          | 5.8  |
| TOTAL:     | 2317 / 1.6        | 2132 / 2.0                                       | 7.4          | 111.0                                      |

#### **SITE DESCRIPTION:**

The proposed project is underlain by sedimentary deposits of the Uinta Formation of Late Middle Eocene age at approximately 4900' elevations. The soil type ranges from loamy sand to rocky sand to gravel with clay. The project areas are located in relatively flat sites (0-5% slopes) and have rolling topography.

The vegetation is a desert shrub community consisting of shadscale saltbush (Atriplex confertifolia), Gardner's saltbush (Atriplex gardneri), mat saltbush (Atriplex corrugata), budsage (Artemesia spinescens), American kochia (Kochia Americana), winterfat (Ceratoides lanata), black greasewood (Sarcobatus vermiculatus), broom snakeweed (Gutierrezia sarothrae), horsebrush (Tetradymia spinosa), Mormon tea (Ephedra sp.), globemallow (Sphaeralcea sp.), Indian ricegrass (Stipa hymenoides), galleta grass (Hilaria jamesii), saltgrass (Distichlis spicata), multiple species of buckwheat (Eriogonum spp.), and prickly pear cactus (Opuntia sp.). Invasive and noxious weeds such as halogeton (Halogeton glomeratus), Russian thistle (Salsola iberica), and cheat grass (Bromus tectorum) are generally found in moderate amounts within the native vegetation.

#### 12-19-9-19:

This project site lies at approximately 4850' in elevation. It has a slightly southerly aspect, which gently slopes towards a wash (5%). The soils are sandy, with an approximately 50% vegetation cover. No rock outcroppings are present. Cottontails (*Sylvilagus floridanus*) and jack rabbits (*Lepus* sp.) were seen on site.

#### 32-19-9-19:

This project sites lies at approximately 4840' in elevation. The project has a southeastern aspect with slopes of 0-4%. The site topography is a smooth grade. The soils are loamy sand. No rock outcroppings are present. A Northern Harrier (*Circus cyaneus*) was seen on site.

#### SITE REVIEW METHODOLOGY:

The U.S. Fish and Wildlife Service (USFWS) list of threatened and endangered species for Uintah County along with past survey reports and environmental documents were reviewed to determine which federally listed threatened, endangered and candidate species, and Utah/BLM sensitive species (special status species) have the potential to occur in Uintah County. Data on existing soils, geology, elevations, and vegetation types within the proposed pipeline corridor were used to determine which of these species have potential to occur within the project area. In-house Geographic Information System (GIS) layers were examined for known locations of and suitable habitat for special status plant and wildlife species within the project area.

The project sites were visited on March 11, 2006 by SWCA biologists Amanda Christensen and James McMillan (sub-contractor, Sporobolus Resources). During the exams, each proposed access road, pipeline corridor and well location was carefully examined for the presence of special status plant and wildlife species and potential habitat. Binoculars were used to glass the surrounding area for raptors and other wildlife.

### **SURVEY RESULTS:**

#### 12-19-9-19:

No known locations and no potential habitat for special status plant species were found on the project site (Appendix A).

Burrows were found on the road and pipeline route and well pad of the proposed project site, and so burrowing owl has potential to occur.

#### 32-19-9-19:

No known locations and no potential habitat for special status plant species were found on the project site (Appendix A).

Burrows were found on the road and pipeline route and well pad of the proposed project site, and so burrowing owl has potential to occur.

#### **DETERMINATIONS AND RECOMMENDATIONS:**

Based on a review of existing data it is my professional opinion that the proposed project will have "no affect" special status plants or suitable habitat as long as the following recommendations are respected:

• In order to mitigate adverse impacts to burrowing owls, no new construction or surface disturbing activities would occur within 0.5 mile of each of proposed wells 12-19-9-19 and 32-19-9-19 during the nesting season of April 1 and July 15. If new construction or surface disturbing activities are scheduled between April 1 and August 15, a pre-construction presence/absence survey would be conducted by a qualified biologist acceptable to the Vernal BLM and using approved survey protocol after July 15 to detect the presence of nesting burrowing owls. If burrowing owls are not present, construction could begin. If nesting owls are documented during the survey, no construction or surface disturbing activities would occur until the adult birds and their young disperse.

| //s// A. Christensen        | 03/22/06 |
|-----------------------------|----------|
| Amanda Christensen          | Date     |
| Natural Resource Specialist |          |

AC/12-19-9-19\_32-19-9-19

| SPECIES  | STATUS       | HABITAT  | POTENTIAL for and/or OCCURRENCE   |
|--|--------------|--|---|
| Arabis vivariensis<br>Park rock cress          | BLM; S1      | Webber Formation sandstone and limestone outcrops in mixed desert shrub and pinyon-juniper communities. 5000-6000ft.   | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Astragalus equisolensis<br>Horseshoe milkvetch | FC; S1       | Duchesne River Formation soils in sagebrush, shadscale, horse brush and mixed desert shrub communities.4790-5185ft.  | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Astragalus hamiltonii<br>Hamilton milkvetch    | BLM; S1      | Duchesne, Mowery shale,<br>Dakota and Wasatch<br>Formation soils in pinyon-<br>juniper and desert shrub<br>communities. 5240-5800ft  | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Cirsium ownbeyi<br>Ownbey thistle              | BLM; S1      | East flank Uinta Mountains.<br>Sagebrush, juniper and<br>riparian communities.<br>5500-6200ft.   | None - No suitable habitat. Formations and associated soils do not occur in the project area. Out of range. |
| Habenaria zothecina<br>Alcove bog-orchard      | BLM; S2      | Moist stream banks, seeps, hanging gardens in mixed-desert shrub, piñon juniper, and oakbrush (4,360-8,690 feet).  | None - Soils and associated riparian areas are not present in project areas.                                |
| Hymenoxys lapidicola<br>Rock hymenoxis         | BLM; S1      | Rock crevices in piñon-<br>juniper. Uintah County<br>endemic (6,000-8,000 feet).   | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Lepidium huberi<br>Huber's pepperplant         | BLM;<br>S1S2 | Rock crevices, eroding parent material and alluvial soils of the Moenkopi, Navajo, Chinle and Formations in the Uinta and Green River Formation in the Bookcliffs. 5600-8000 ft. | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Penstemon acaulis<br>stemless penstemon        | BLM; S1      | Daggett County. Semi-<br>barren substrates in<br>pinyon-juniper and<br>sagebrush-grass<br>communities. 5840-7285 ft.   | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Penstemon flowersii<br>Flowers penstemon       | BLM; S1      | Clay badlands from Myton<br>to Roosevelt and Randlett,<br>in shadscale and desert<br>communities. 5000-5400ft.   | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |

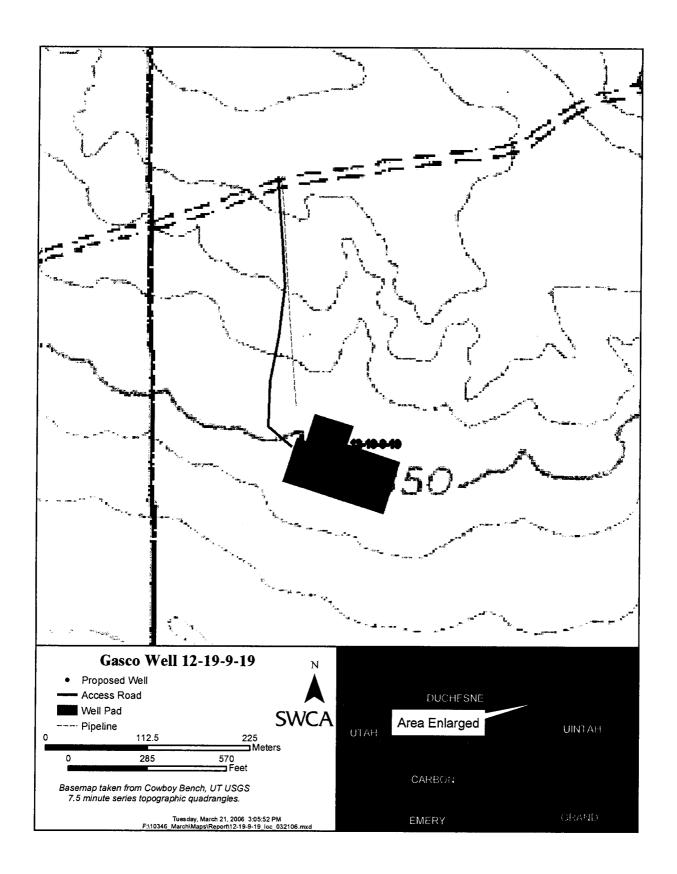
.

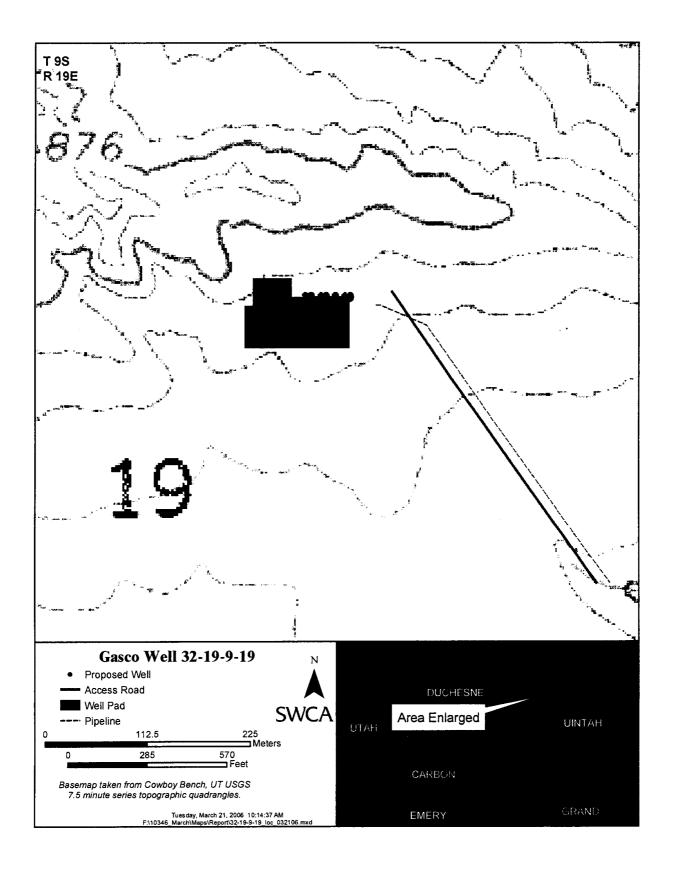
| SPECIES   | STATUS  | HABITAT  | POTENTIAL for and/or OCCURRENCE   |
|---|---------|--|---|
| Penstemon gibbensii<br>Gibbens penstemon                        | BLM; S1 | Brown's Park in Daggett<br>County. Sandy and shaley<br>(Green River Shale) bluffs<br>and slopes with juniper,<br>thistle, Eriogonum, Elymus,<br>serviceberry, rabbit brush &<br>Thermopsis 5500-6400 ft.                           | None - No suitable habitat. Formations and associated soils do not occur in the project area. Out of Range. |
| Penstemon goodrichii<br>Goodrich penstemon                      | BLM; S2 | Lapoint-Tridell-Whiterocks area. Duchesne River Formation on blue gray to reddish bands of clay badlands. Elevations 5590 to 6215 ft.  | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Penstemon grahamii<br>Graham beardtongue                        | FC; S2  | East Duchesne and Uintah<br>Counties. Evacuation<br>Creek and Lower<br>Parachute Member of the<br>Green River Formation.<br>Shaley knolls in sparsely<br>vegetated desert shrub and<br>pinyon-juniper<br>communities. 4600-6700 ft | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Penstemon scariosus var.<br>albifluvis<br>White River penstemon | FC; S1  | Evacuation Creek and<br>Lower Parachute Creek<br>Member of the Green River<br>Formation on sparsely<br>vegetated shale slopes in<br>mixed desert shrub and<br>pinyon-juniper<br>communities. 5000-6000ft                           | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |
| Schoencrambe argillacea Clay thelopody                          | FT; S1  | Bookcliffs On the contact zone between the upper Uinta and lower Green River shale formations in mixed desert shrub of Indian ricegrass and pygmy sagebrush.5000-5650 ft.  | None - No suitable habitat. Formations and associated soils do not occur in the project area.               |

.

| Appendix A - Special Status Plant Species  |                |   |   |  |  |
|--|----------------|---|---|--|--|
| SPECIES  | STATUS         | HABITAT   | POTENTIAL for and/or OCCURRENCE   |  |  |
| Schoencrambe<br>suffrutescens<br>Shrubby reed-mustard                                | FE; S1         | Evacuation Creek and lower Parachute Creek Members of the Green River Formation on calcareous shale in pygmy sagebrush, mountain mahogany, juniper and mixed desert shrub communities. 5400-6000ft.   | None - No suitable habitat. Formations and associated soils do not occur in the project area. |  |  |
| Sclerocactus glaucus<br>(Sclerocactus brevispinus)<br>Uinta Basin hookless<br>cactus | FT; S3<br>(S1) | Gravelly hills and terraces on Quaternary and tertiary alluvium soils in cold desert shrub communities. 4700-6000ft.  | None - Soils and<br>associated riparian<br>areas are not present in<br>the project area.      |  |  |
| Spiranthes diluvialis Ute lady's tresses   | FT; S1         | Streams, bogs and open seepages in cottonwood, salt cedar, willow and pinyon-juniper communities on the south and east slope of the Uintah Range and it's tributaries, and the Green River from Browns Park to Split mountain. Potentially in the Upper reaches of streams in the Book Cliffs. 4400-6810ft. | None - Soils and associated riparian areas are not present in the project area.               |  |  |

FE = Federally listed as Endangered
FT = Federally listed as Threatened
BLM = BLM Sensitive Species
S1 = Utah Natural Heritage Program Status rank
S2 = Utah Natural Heritage Program Status rank







Bureau of Land Management Vernal Field Office 170 S. 500 E. Vernal, UT 84078

Attn: Minerals

Re: All Wells

Uintah County, Utah

### Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Gasco Production Company, a wholly owned subsidiary of Gasco Energy, Inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the above mentioned well.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Gasco Production Company agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned well.

Yours yery truly,

Mark J. Choury Land Manager

## **GASCO PRODUCTION COMPANY**

FEDERAL #32-19-9-19 LOCATED IN UINTAH COUNTY, UTAH

**SECTION 19, T9S, R19E, S.L.B.&M.** 

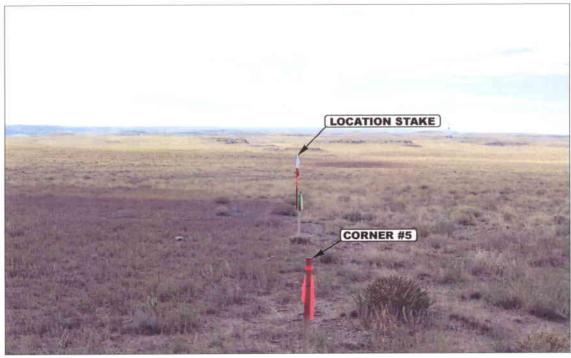


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

**CAMERA ANGLE: SOUTHERLY** 

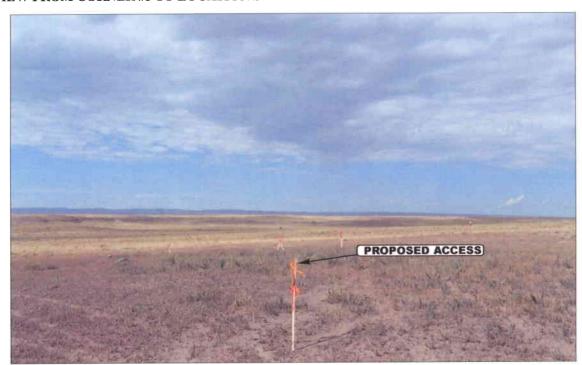
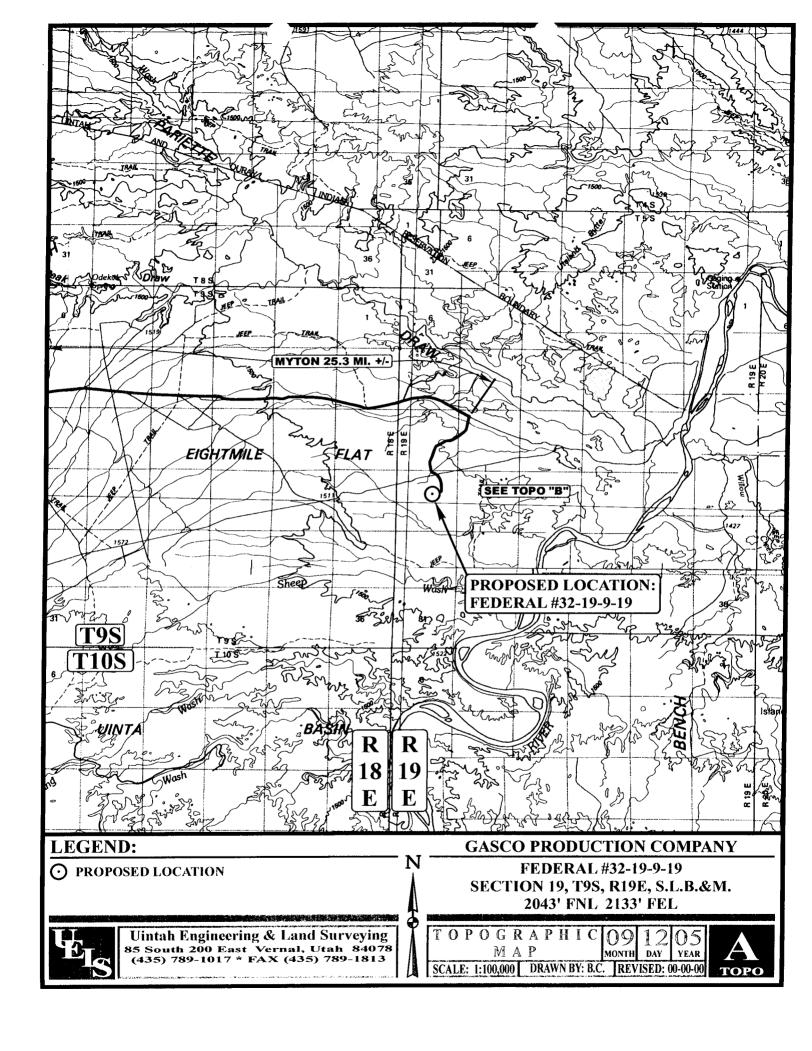


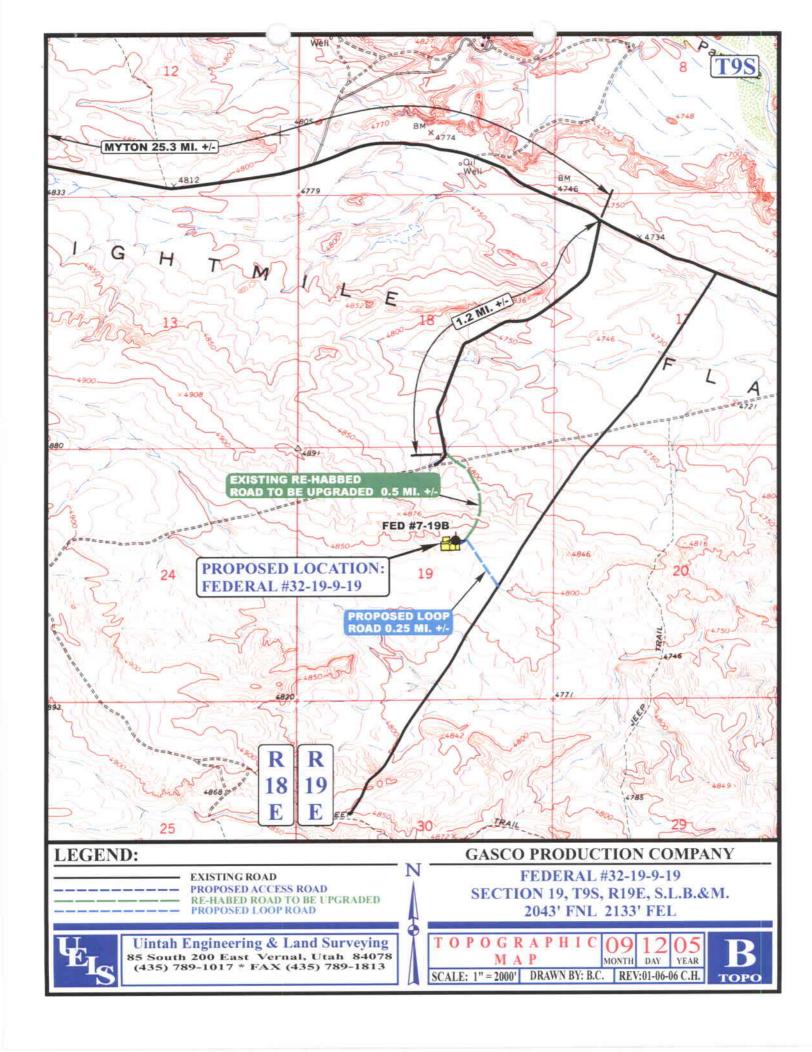
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

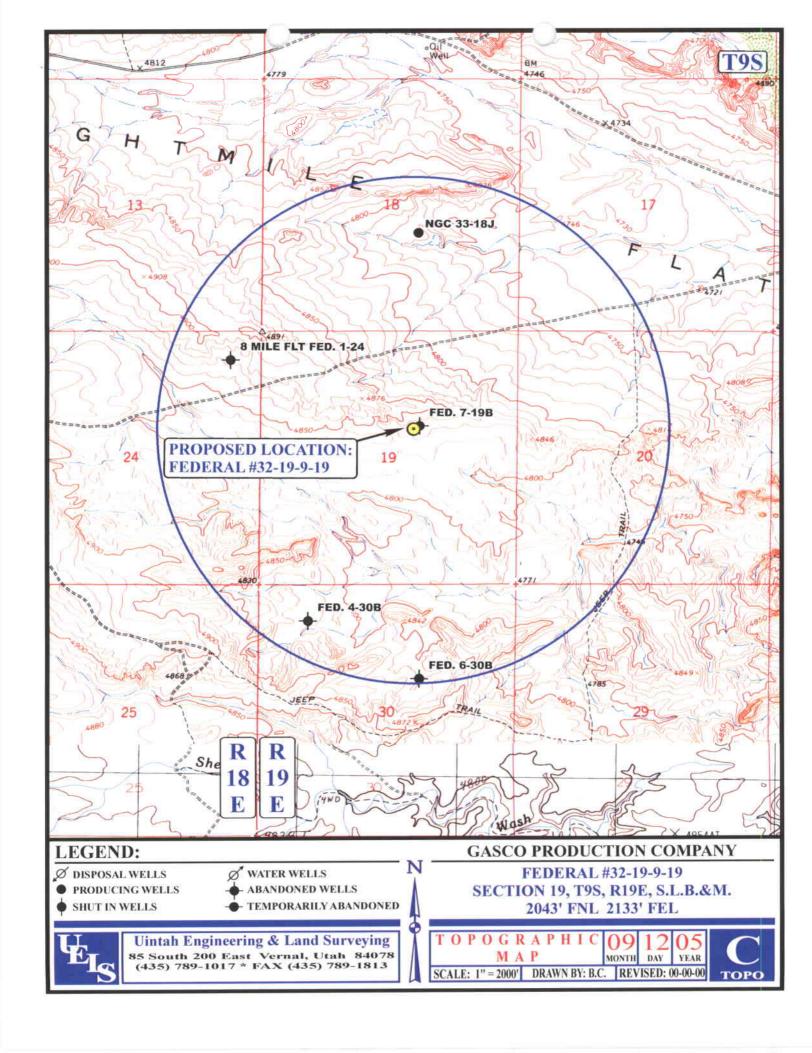
**CAMERA ANGLE: WESTERLY** 

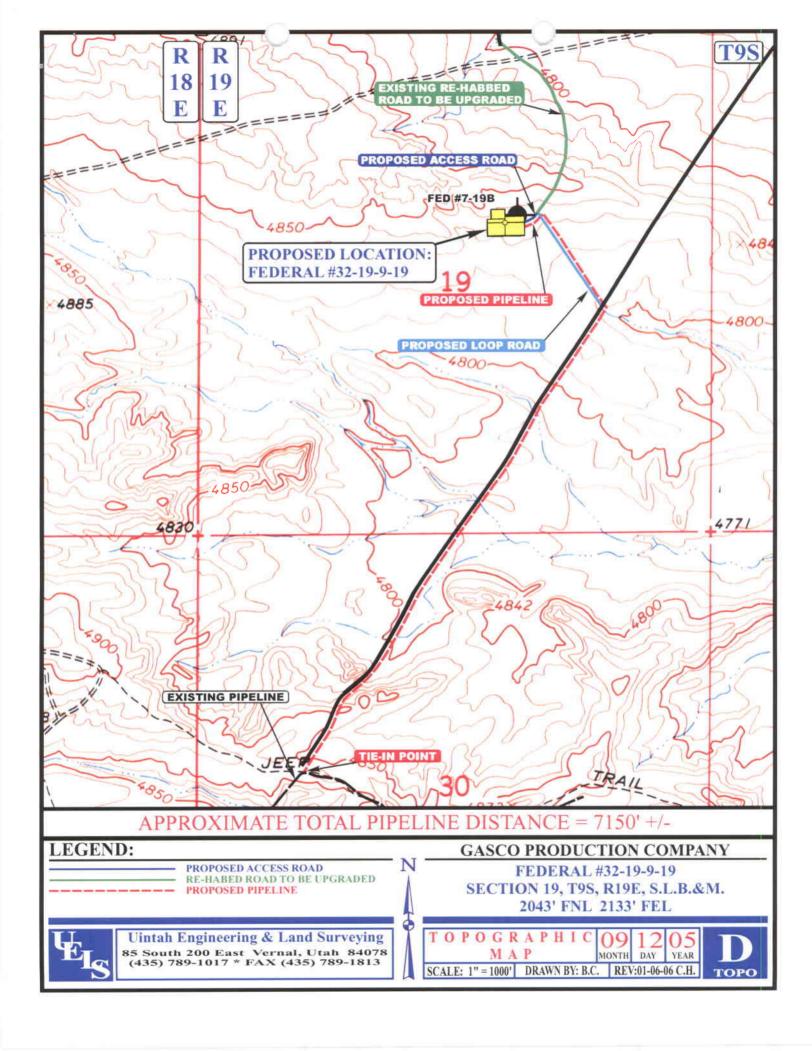


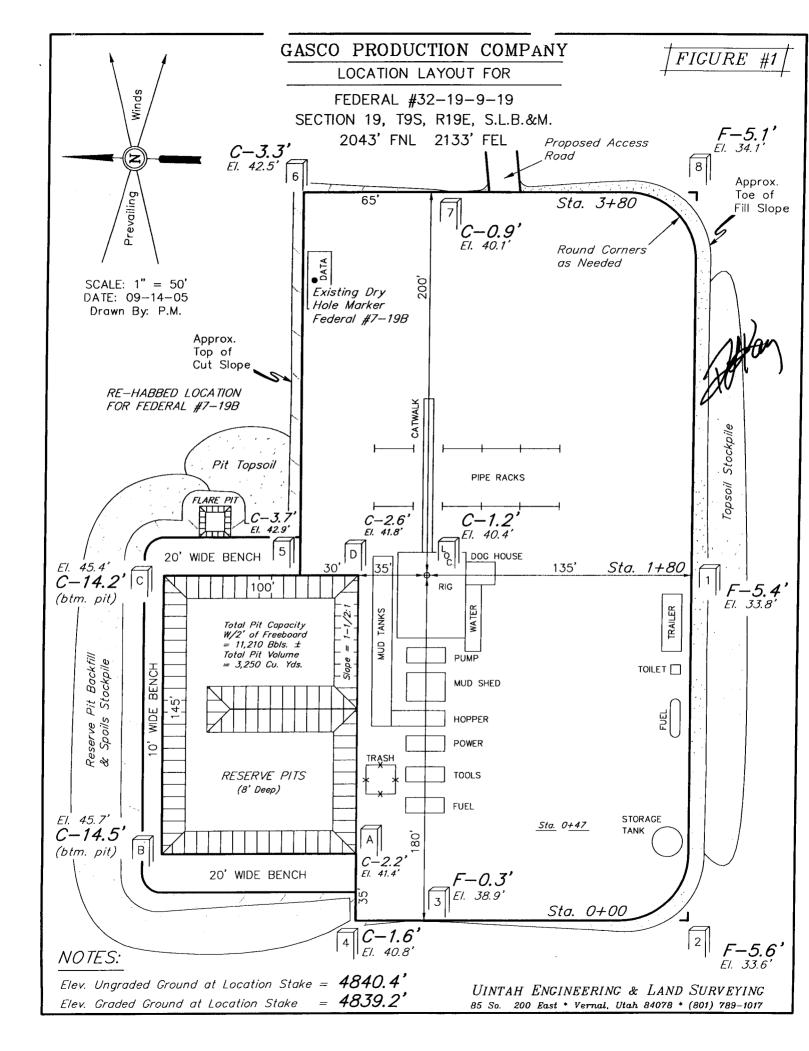
| LOCATION       | PHOTOS        | 09<br>MONTH | 12<br>DAY | 05<br>YEAR | рното |
|----------------|---------------|-------------|-----------|------------|-------|
| TAKEN BY: J.W. | DRAWN BY: B.C | . REV       | ISED: (   | 00-00-00   |       |

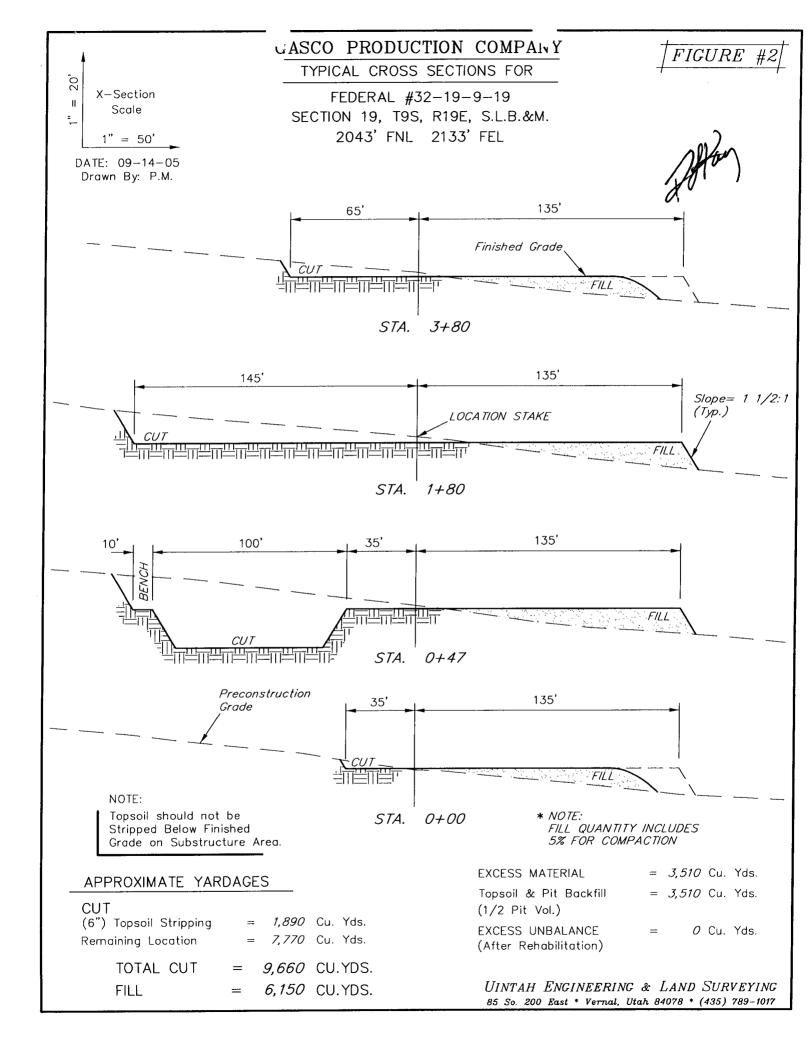






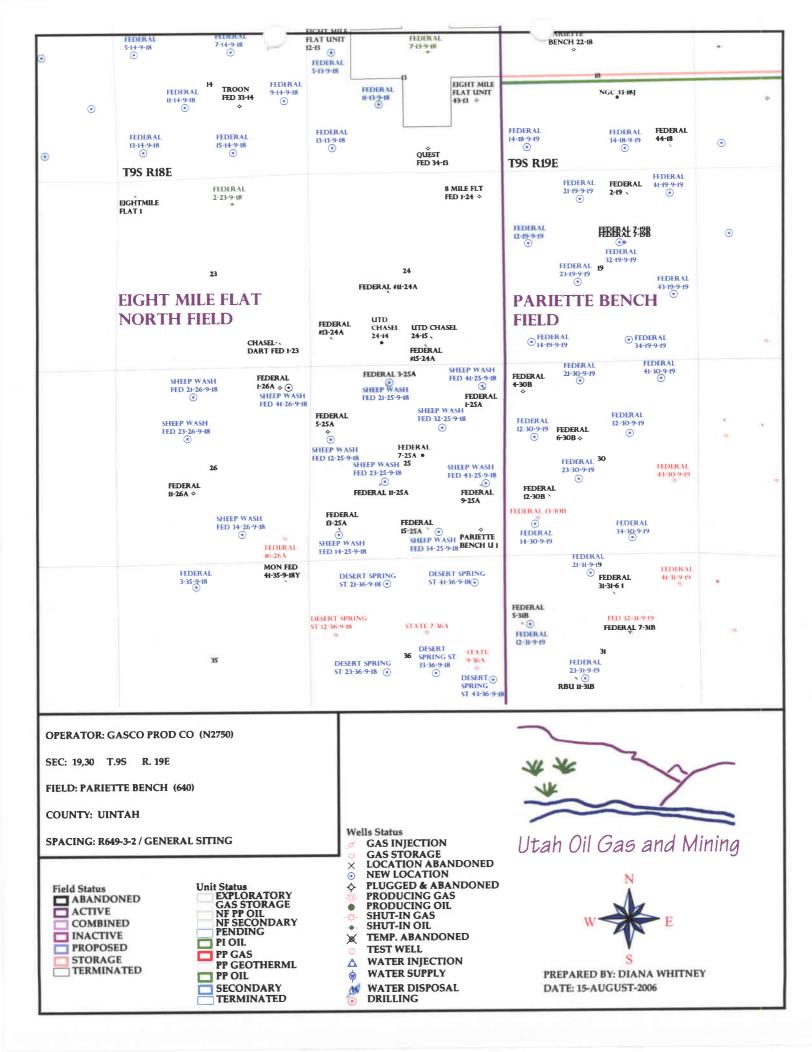






## WORKSHEET APPLICATION FOR PERMIT TO DRILL

| APD RECEIVED: 08/10/2006  |          | API NO. ASSIG  | NED: 43-047           | 7-38466      |
|---|----------|--|-----------------------|--------------|
| WELL NAME: FEDERAL 32-19-9-19   |          |  |                       |              |
| OPERATOR: GASCO PRODUCTION ( N2575 )  | )        | PHONE NUMBER:  | 303-857-999           | 9            |
| CONTACT: VENESSA LANGMACHER   |          |  |                       |              |
| PROPOSED LOCATION:  |          | INSPECT LOCATN   | BY: /                 | /            |
| SWNE 19 090S 190E   |          | Tech Review  | Initials              | Date         |
| SURFACE: 2043 FNL 2133 FEL<br>BOTTOM: 2043 FNL 2133 FEL   |          | Engineering  |                       |              |
| COUNTY: UINTAH  |          | Geology  |                       |              |
| LATITUDE: 40.01806 LONGITUDE: -109.8207   |          | Cumfaga  |                       |              |
| UTM SURF EASTINGS: 600645 NORTHINGS: 44302<br>FIELD NAME: PARIETTE BENCH ( 640  |          | Surface  |                       |              |
| LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-76033  SURFACE OWNER: 1 - Federal  |          | PROPOSED FORMAT  |                       | 4K           |
| No. UT-1233   Potash (Y/N)   Plat   Water Permit (No. 43-1721   PDCC Review (Y/N)   No. 43-1721   PDCC Review (Y/N)   No. 43-1721   Potash (Y/N)   No. 43-1721   PDCC Review (Y/N)   No. 43-1721   PDCC Review (Y/N)   No. 43-1721   Potash (Y/N)   Potash (Y/N | R( Unit: | ON AND SITING:  649-2-3.  649-3-2. Generaliting: 460 From Qt  649-3-3. Except  rilling Unit  Board Cause No:  Eff Date:  Siting: | al<br>r/Qtr & 920' Be | etween Wells |
| Intent to Commingle (Y/N)   | Re       | 649-3-11. Direc  | ctional Dril          | 1            |
| COMMENTS:   |          |  |                       |              |
| STIPULATIONS: 1 Colors Append   |          |  |                       |              |
|   |          |  |                       |              |





State of Utah

### Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

> JOHN R. BAZA Division Director

JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > August 17, 2006

Gasco Production Company 8 Inverness Drive East, Suite 100 Englewood, CO 80112

Re: Federal 32-19-9-19 Well, 2043' FNL, 2133' FEL, SW NE, Sec. 19, T. 9 South. R. 19 East, Uintah County, Utah

### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38466.

Sincerely.

pab **Enclosures** 

**Uintah County Assessor** cc:

Bureau of Land Management, Vernal District Office

| Operator:          | Gasco Production Company  |            |                   |  |
|--------------------|---------------------------|------------|-------------------|--|
| Well Name & Number | Federal 32-19-9-19        |            |                   |  |
| API Number:        | 43-047-38466<br>UTU-76033 |            |                   |  |
| Location: SW NE    | <b>Sec.</b> 19            | T. 9 South | <b>R.</b> 19 East |  |

### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Forin 3160-3 (August 1999)

### UNITED STATES DEPARTMENT OF THE INTERIOR

RECEIV

FORM APPROVED OMB No. 1004-0136

Expires November 30, 2000

| BUREAU OF LAND MANAGEMENT | W1 1/ | 1 0 |
|---------------------------|-------|-----|
|                           |       |     |

**∆PR** 1 n 2006

| BUREAU OF LAND MANAGEMENT  |                     |  | 010-76033  |                               |                      |
|--|---------------------|--|--|-------------------------------|----------------------|
| APPLICATION FOR PERMIT TO DRILL OR REENTER   |                     |  |  | 6. If Indian, Allottee or Tri | be Name              |
| a. Type of Work: DRILL REENTER   |                     |  | 7. If Unit or CA Agreemer  N/A  8. Lease Name and Well N |                               |                      |
| b. Type of Well: Oil Well Y Gas Well Othe  | er 👿 Sing           | gle Zone   | Multiple Zone  | Federal #32-19-9-             |                      |
| 2. Name of Operator 303-483-0044   | 8 Inverness         | Drive East, S                                      | uite 100   | 9. API Well No.               |                      |
| Gasco Production Company   | Englewood,          | CO 80112   |  | 43,047.3                      | Alolo                |
| 3. Name of Agent 303-857-9999  | 14421 Cou           | nty Road 10  |  | 10. Field and Pool, or Expl   | oratory              |
| Permitco Inc Agent   |                     | n, CO 80621  |  | Riverbend                     |                      |
| 4. Location of Well (Report location clearly and in accordance   | with any State requ | uirements.*)                                       |  | 11. Sec., T., R., M., or Blk  | , and Survey or Area |
| At surface 2043' FNL and 2133'   | ' FEL               |  |  | Section 19, T9S-R             | 19E                  |
| At proposed prod. zone SW NE   |                     |  |  |                               |                      |
| 14. Distance in miles and direction from nearest town or post o  | ffice*              |  |  | 12. County or Parish          | 13. State            |
| Approximately 27 miles southeast of Myton, U   | IT                  |  |  | Uintah                        | UT                   |
| 15. Distance from proposed* location to nearest  | ·16. No. of A       | res in lease                                       | 17. Spacing Unit   | dedicated to this well        |                      |
| property or lease line, ft. (Also to nearest drig. unit line, if any)  | 60                  | 0.00   |  | 40 Acres; SW NE               |                      |
| Distance from proposed location* to nearest well, drilling, completed,   | 19. Proposed        | 19. Proposed Depth 20. BLM/BIA Bo                  |  | nd No. on file                |                      |
| to nearest well, drilling, completed, applied for, on this lease, ft.  None  | 13,                 | 060'   |  | Bond #UT-1233                 |                      |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.)  | 22. Approxit        | nate date work                                     | will start*  | 23. Estimated duration        |                      |
| 4840' GL   |                     | ASAP   |  | 35 Days                       |                      |
|  | 24. Att             | achments   |  |                               |                      |
| The following, completed in accordance with the requirements   | of Onshore Oil and  | Gas Order No. 1                                    | , shall be attached t                                    | o this form:                  |                      |
| <ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest System Supposed to the Supposed Supposed to the Supposed Su</li></ol> | stem Lands, 1       | Item 20 ab 5. Operator ce 6. Such other authorized | ove). ertification. site specific informations. office.  | unless covered by an existing | equired by the       |
| 25. Signature  | Name                | (Printed/Typed                                     |  | Date                          | 4/7/2006             |
| - Venesa Spranacker  | l                   | ve   | nessa Langmad  | i i                           | 7/1/2000             |
| Title  |                     |  |  |                               |                      |

**Authorized Agent for Gasco Production Company** 

Name (Printed/Typed)

Assistant Field Manager Lands & Mineral Resources VERNAL FIELD OFFICE

4-25-2007

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

Approved by (Signature,

Title

## CONDITIONS OF APPROVAL ATTACHEDEIVED

MAY 0 3 2007



### UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT **VERNAL FIELD OFFICE**

**VERNAL, UT 84078** 

(435) 781-4400



### CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Location: **SWNE, Sec 19, T9S, R19E** Company: Gasco Production Company Lease No: UTU-76033

Federal 32-19-9-19 Well No:

Agreement: N/A API No: 43-047-38466

170 South 500 East

Office: 435-781-4490 Cell: 435-828-4470 Matt Baker Petroleum Engineer: Office: 435-781-4432 Cell: 435-828-7875 Michael Lee Petroleum Engineer: Cell: 435-828-7874 Office: 435-781-4470 James Ashley Petroleum Engineer: Cell: 435-828-3913 Office: 435-781-4502 Supervisory Petroleum Technician: Jamie Sparger Cell: 435-828-4029 Office: 435-781-4475 **Environmental Scientist:** Paul Buhler Karl Wright Office: 435-781-4484 **Environmental Scientist:** Office: 435-781-4404 Natural Resource Specialist: Holly Villa Office: 435-781-4476 Natural Resource Specialist: Melissa Hawk Office: 435-781-4437 Scott Ackerman Natural Resource Specialist: Office: 435-781-4441 Chuck MacDonald Natural Resource Specialist: Darren Williams Office: 435-781-4447 Natural Resource Specialist: Fax: 435-781-4410 After Hours Contact Number: 435-781-4513

### A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

### NOTIFICATION REQUIREMENTS

| Location Construction (Notify Karl Wright)             | <ul> <li>Forty-Eight (48) hours prior to construction of location and<br/>access roads.</li> </ul>  |
|--|---|
| Location Completion (Notify Karl Wright)               | - Prior to moving on the drilling rig.  |
| Spud Notice<br>(Notify Petroleum Engineer)             | - Twenty-Four (24) hours prior to spudding the well.  |
| Casing String & Cementing (Notify Jamie Sparger)       | <ul> <li>Twenty-Four (24) hours prior to running casing and cementing<br/>all casing strings</li> </ul>   |
| BOP & Related Equipment Tests (Notify Jamie Sparger)   | - Twenty-Four (24) hours prior to initiating pressure tests   |
| First Production Notice<br>(Notify Petroleum Engineer) | <ul> <li>Within Five (5) business days after new well begins or<br/>production resumes after well has been off production for more<br/>than ninety (90) days</li> </ul> |

Page 2 of 7 Well: Federal 32-19-9-19 1/8/2007

### SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- The operator shall be allowed to remove the existing above-ground plugged and abandoned marker for the Federal 7-19B in order to accommodate new construction. The existing marker and/or casing shall be cut-off three feet below ground level. The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place with the well location and identity permanently inscribed on the plate. A weep hole shall also be left on the plate. Before removal of the existing marker the operator shall notify the AO and provide a GPS coordinate of its location.
- A timing restriction on construction and drilling (including completion) from April 1 August 15, is in order to protect nesting burrowing owls. If the operator wishes to construct from April 1 to August 15 a qualified biologist may conduct a burrowing owl survey. If no birds are present at the time of survey, Gasco may begin construction.
- A timing restriction on construction and drilling (including completion) from May 15 June 15, is in
  order to protect nesting mountain plovers. If the operator wishes to construct from May 15 to June
  15 a qualified biologist may conduct a mountain plover survey. If no birds are present at the time of
  survey, Gasco may begin construction.
- Construction for this site will be impacting a known paleontological site (Un42638V). As a result, paleontological monitoring will be required by a BLM permitted paleontologist throughout the construction phase of the well pad, 1300 feet of the new access "loop" road and pipeline from the well pad southeast to their intersecting point with existing road.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. The following seed mix shall be used:

| Туре   |                            | lbs./acre |  |  |
|--|----------------------------|-----------|--|--|
| Western Wheat grass  | Agropyron smithii          | 4         |  |  |
| Needle and Thread grass  | Stipa comata               | 4         |  |  |
| Hv-crest Crested wheat grass                                       | Agropyron cristatum        | 4         |  |  |
| ** Seed shall be drilled; but if broadcasted double the pounds per |                            |           |  |  |
| acre used and work the solids m                                    | echanically to cover the s | eea.      |  |  |

 Following well plugging and abandonment, the location, access roads, pipelines, and other facilities shall be reclaimed. All disturbed surfaces shall be reshaped to approximate the original contour; the top soil respread over the surface; and, the surface revegetated. The following seed mix shall be used, unless BLM personnel determine that conditions have changed and another mix will be more suitable:

|                          | Туре   | lbs./acre            |
|--------------------------|--|----------------------|
| Shadscale                | Atriplex confertifolia   | 3                    |
| Winterfat                | Eurotia lanata   | 3                    |
| Galleta grass            | Hilaria jamesil  | 3                    |
| Indian Rice Grass        | Oryzopsis hymenoides   | 3                    |
| ** Seed shall be drilled | ; but if broadcasted double the po<br>e solids mechanically to cover the | ounds per<br>e seed. |

Page 4 of 7 Well: Federal 32-19-9-19 1/8/2007

### DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

### SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.
- A cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.

### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
  daily drilling report. Components shall be operated and tested as required by Onshore Oil &
  Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
  performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be
  reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).

Page 5 of 7 Well: Federal 32-19-9-19 1/8/2007

 All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.

- The lessee/operator must report encounters of all non oil & gas mineral resources (such as
  Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field
  Office, in writing, within 5 working days of each encounter. Each report shall include the well
  name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of
  the encounter and, the name of the person making the report (along with a telephone number)
  should the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken
  of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas
  shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior
  approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30
  days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given
  before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a
  weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is
  completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys,

Page 6 of 7 Well: Federal 32-19-9-19 1/8/2007

sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe
  and shall be utilized to determine the bond quality for the production casing. Submit a field copy
  of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office
  Petroleum Engineers will be provided with a date and time for the initial meter calibration and all
  future meter proving schedules. A copy of the meter calibration reports shall be submitted to
  the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for
  liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
  to the BLM, Vernal Field Office within 30 days of installation or first production, whichever
  occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
  adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
  sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - o Operator name, address, and telephone number.
  - o Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - o Unit agreement and / or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.

Page 7 of 7 Well: Federal 32-19-9-19 1/8/2007

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will
  be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be
  reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major
  Events" will be reported in writing within 15 days. "Minor Events" will be reported on the
  Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office
  Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in
  order that a representative may witness plugging operations. If a well is suspended or
  abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent
  Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual
  plugging of the well bore, showing location of plugs, amount of cement in each, and amount of
  casing left in hole, and the current status of the surface restoration.

## CONFIDENTIAL

### **STATE OF UTAH**

FORM 9

|  | MENT OF NATURAL RESOURG               |                          |                                |  |                |
|--|---------------------------------------|--------------------------|--------------------------------|--|----------------|
| DIVISIO  | ON OF OIL, GAS AND MIN                | IING                     |                                | 5. LEASE DESIGNATION AND UTU-76033             | SERIAL NUMBER: |
| SUNDRY NOTIC   | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |                          |                                |  |                |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to   |                                       |                          |                                | 7. UNIT or CA AGREEMENT NA                     | AME:           |
| drill horizontal laterals. Use A   | APPLICATION FOR PERMIT TO DRILL form  | m for such proposals     | , reenter plugged wells, or to | NA   |                |
| 1. TYPE OF WELL OIL WELL   | GAS WELL 🔽 OTHER                      |                          |                                | 8. WELL NAME and NUMBER:<br>Federal 32-19-9-19 | ·-             |
| 2. NAME OF OPERATOR:   |                                       | ·                        |                                | 9. API NUMBER:                                 | '              |
| Gasco Production Company   |                                       |                          |                                | 4304738466                                     |                |
| ADDRESS OF OPERATOR     Number   | ood STATE CO TAN                      | 4                        | HONE NUMBER: (303) 483-0044    | 10. FIELD AND POOL, OR WILL Pariette Bench     | DCAT:          |
| 4. LOCATION OF WELL  | STATE OF THE                          | 10112                    | (000) 400-0044                 | T directe Bellen                               |                |
| FOOTAGES AT SURFACE: 2043' FnL & 21  | 133' FEL                              |                          |                                | соинту: Uintah                                 |                |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIA   | AN: SWNE 19 9S 19                     | E                        |                                | STATE: UTAH                                    |                |
| 11. CHECK APPROPRIA  | TE BOXES TO INDICATE                  | NATURE C                 | F NOTICE, REPOR                | RT, OR OTHER DAT                               | A              |
| TYPE OF SUBMISSION   |                                       | TYI                      | PE OF ACTION                   |  |                |
| NOTICE OF INTENT   | )IZE [                                | DEEPEN                   |                                | REPERFORATE CURR                               | ENT FORMATION  |
|  | ER CASING [                           | FRACTURE T               | REAT                           | SIDETRACK TO REPAI                             | R WELL         |
| Approximate date work will start: CASI   | ING REPAIR                            | NEW CONST                | RUCTION                        | TEMPORARILY ABAND                              | ЮN             |
| CHAI   | NGE TO PREVIOUS PLANS                 | OPERATOR C               | HANGE                          | TUBING REPAIR                                  |                |
| CHAI   | NGE TUBING                            | PLUG AND AE              | BANDON                         | VENT OR FLARE                                  |                |
| SUBSEQUENT REPORT (Submit Original Form Only)  | NGE WELL NAME                         | PLUG BACK                |                                | WATER DISPOSAL                                 |                |
|  | NGE WELL STATUS                       | PRODUCTION               | (START/RESUME)                 | WATER SHUT-OFF                                 |                |
|  | MINGLE PRODUCING FORMATIONS           | RECLAMATIO               | N OF WELL SITE                 | OTHER: Extend P                                | 'ermit         |
| CON  | IVERT WELL TYPE                       | RECOMPLETE               | - DIFFERENT FORMATION          |  |                |
| 12 DESCRIBE PROPOSED OR COMPLETED  | OPERATIONS. Clearly show all perf     | tinent details inclu     | iding dates, depths, volumes   | s, etc.  |                |
| Gasco Production Company would   |                                       |                          |                                |  | ira 9/17/2007  |
| Cases Fredancis Company Would  | rinto to request a one year           | CALCITOION               |                                | date it is due to expi                         | 11 O/ 17/2007  |
|  |                                       |                          |                                |  |                |
|  | <b>A</b>                              |                          | 14                             |  |                |
|  | App                                   | roved by t<br>h Division | (Ne                            |  |                |
|  |                                       |                          |                                |  |                |
|  | Oil, G                                | as and Mi                | ning                           |  |                |
|  |                                       |                          | . ~                            |  |                |
|  | Date: 😃                               | 9-18-                    | 974                            |  |                |
|  | Ву:                                   | $\Omega(U_{e,r})$        | 41121                          |  |                |
| No. of the second control of the second cont |                                       | 2000                     | HARAL .                        |  |                |
|  | M                                     | 1                        |                                |  |                |
| 2 Z  | <u>~</u> '                            |                          |                                |  |                |
|  |                                       |                          | -1.                            |  |                |
| NAME (PLEASE PRINT)  Beverly Walker  |                                       | TITLE                    | Engineering Techr              | nician   |                |
| Keller 1661  | 7.                                    |                          | 7/31/2007                      |  |                |
| SIGNATURE A SIGNAT |                                       | DATE                     |                                |  |                |
| This space for State use only)   |                                       |                          |                                | and the second                                 |                |
| ,  |                                       |                          |                                | HANNED .                                       |                |

SEP 1 / 2007

## Application for Permit to Drill Request for Permit Extension **Validation**

(this form should accompany the Sundry Notice requesting permit extension)

| API:                     | 4304738466                               |   |   |
|--------------------------|--|---|---|
| Location:                | Federal 32-19-9-19<br>SW NE of Section 1 | 9-T9S-R19E Uintah County,   | Utah  |
|                          |  | Gasco Production Company  |   |
| • •                      | Permit Issued:                           |   | •   |
| above, hereby            | verifies that the                        | n legal rights to drill on t<br>information as submitte<br>mains valid and does n |   |
| Following is a verified. | checklist of some                        | e items related to the ap   | oplication, which should be                   |
| •                        | rivate land, has t<br>en updated? Yes    | he ownership changed,<br>i□No☑  | , if so, has the surface                      |
| •                        |  | the vicinity of the propo<br>nts for this location? Ye                            | sed well which would affect<br>es⊟ No.☑       |
|                          |  | er agreements put in pla<br>proposed well? Yes⊟N                                  | ace that could affect the<br>o☑               |
|                          |  | to the access route incl<br>proposed location? Yes                                | uding ownership, or right-<br>□ No ☑          |
| Has the approv           | ved source of wa                         | nter for drilling changed   | ? Yes□No☑                                     |
|                          | ire a change in p                        | changes to the surface blans from what was dis                                    | location or access route cussed at the onsite |
|                          |  | covers this proposed we   | ell? Yes⊠No□                                  |
| Dulant                   | Matter                                   |   | 7/31/2007                                     |
| Signature /              | r vages                                  | <del></del>   | Date  |
| Title: Engineeri         | ng Technician                            |   |   |
| Representing:            | Gasco Production                         | Company   |   |
|                          |  |   | RECEIVED                                      |

SEP 1 / 2007

Form 3160- 5

## **UNITED STATES**

| DEM APPRO |
|-----------|
|-----------|

| (April 2004)  | DEPARTMENT OF THE   |  | UV.   | <b>ONES</b> NO 1004-0137                                       |  |  |  |  |  |
|---|---|--|---|--|--|--|--|--|--|
|   | BUREAU OF LAND M.   | ANAGEMENT  |   |  | Expires March 31, 2007   |  |  |  |  |
| SU  | NDRY NOTICES AND RE   | PORTS ON W   | ELLS  | 5. Lease Serial I  | utu-76033  |  |  |  |  |
|   | ot use this form for proposals<br>loned well. Use Form 3160-3 (.  |  |   | 6. If Indian, Allo   | ottee, or Tribe Name<br>NA   |  |  |  |  |
|   | IPLICATE - Other Instructio   |  |   | 7. If Unit or CA   | Agreement Name and/or No.  |  |  |  |  |
| Type of Well  | II LIOATE - Other motivation  | no on reverse si   | oue.  | -  | NA   |  |  |  |  |
| Oil Well X Gas Well   | Other   |  |   | 8. Well Name ar  | nd No.   |  |  |  |  |
| 2 Name of Operator  |   |  |   | Fe   | deral 32-19-9-19   |  |  |  |  |
| Gasco Production Company  |   | <b>-</b>   |   | 9 API Well No.   |  |  |  |  |  |
| 3a Address  | 100 F I   | 3b. Phone No tinchi  | •   |  | 43-047-38466   |  |  |  |  |
| 8 Inverness Drive East Ste 1 4 Location of Well (Frongge, Sec., T.) |   | 303-48   | 33-0044   | TO FIELD and Po  | of, or Exploratory Area Wildcat  |  |  |  |  |
| A Execution of West I mage, the . 1.                                | 2043' FNL & 2133' FEL   | _  |   | 11. County or Pa   |  |  |  |  |  |
| •   | SW NE of Section 19-T9S-R   |  |   | 1  | tah County, Utah   |  |  |  |  |
|   | PRIATE BOX(S) TO INDICAT  |  | NOTICE. REPOR   |  |  |  |  |  |  |
| TYPE OF SUBMISSION  | , <u>, , , , , , , , , , , , , , , , , , </u>   |  | PE OF ACTION  |  |  |  |  |  |  |
| X Notice of Intent  | Acidize   | Deepen   | Production ( S  | tart/ Resume)  | Water Shut-off   |  |  |  |  |
|   | Altering Casing   | Fracture Treat   |   | mrs reconney   |  |  |  |  |  |
| [   |   |  | Reclamation   | Well Integrity  X Other Keep data                              |  |  |  |  |  |
| Subsequent Report   | Casing Repair   | New Construction   | Recomplete  |  |  |  |  |  |  |
|   | Change Plans  | Plug and abandon   | Temporarily A   | bandon   | confidential   |  |  |  |  |
| Final Abandonment Notice  | Convert to Injection  | Plug back  | Water Disposa   | 1  |  |  |  |  |  |
| Attach the Bond under which the following completion of the involve | onally or recomplete horizontally, give<br>work will be performed or provide the<br>red operations. If the operation results<br>(Abandonment Notices shall be filed | e subsurface locations<br>e Bond No. on file w<br>s in a multiple comple | and measured and truith BLM/BIA. Requietion or recompletion | ne vertical depths<br>ired subsequent re<br>in a new interval. | of all pertinent markers and zones<br>ports shall be filed within 30 days<br>a Form 3160-4 shall be filed once |  |  |  |  |
| Gasco Production  | Company will be movin   | g a rig onto t   | his location to   | o start drill  | 'ino within  |  |  |  |  |
|   | ve respectfully request i   |  |   |  | • •  |  |  |  |  |
| The mest year meetin .  |   | od as possible   |   | myrete miten.  |  |  |  |  |  |
|   | ο α μετα  | 7 <b>a</b> as 777331710  | •   |  |  |  |  |  |  |
|   |   |  |   |  |  |  |  |  |  |
|   |   |  |   |  |  |  |  |  |  |
|   |   |  |   |  |  |  |  |  |  |
|   |   |  |   |  |  |  |  |  |  |
|   |   |  |   |  |  |  |  |  |  |
|   |   |  |   |  |  |  |  |  |  |
|   |   |  |   |  |  |  |  |  |  |
| 14 I hereby certify that the foregoing is<br>Name (Printed Typed)   | true and correct  | 1  |   |  |  |  |  |  |  |
| Beverly Walker  |   | Title  | En.   | gineering Tec  | hnician  |  |  |  |  |
| Devery walker   | · / / / /   |  | 13118   | succing rec  | mictail  |  |  |  |  |
| Signature / ) ( / / ( / /   | 11 hilles   | Date   |   | February 6, 2  | 008  |  |  |  |  |
| year / t  | THIS SPACE FOR FI   | EDERAL OR ST   |   |  |  |  |  |  |  |

certify that the applicant holds legal or equitable title to those rights in the subject lease Office

which would entitle the applicant to conduct operations thereon

Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make any department or age. States any false, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction (Instructions on page 2)

Title

Approved by
Conditions of approval, if any are attached. Approval of this notice does not warrant or

Form 3160- 5 (April 2004)

### **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED

OMB No. 1004- 0137

Expires: March 31, 2007

### SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

UTU-76033 If Indian, Allottee, or Tribe Name

Lease Serial No

| aband                                 | loned well. Use Form 3160-3 | 3 (APD) for such p      | roposals.      | NA                  |                             |  |  |  |  |
|---------------------------------------|-----------------------------|-------------------------|----------------|---------------------|-----------------------------|--|--|--|--|
|                                       | IPLICATE - Other Instruct   | ions on reverse s       | side.          | 7. If Unit or CA    | . Agreement Name and/or No. |  |  |  |  |
| Type of Well Oil Well X Gas Well      | Other                       |                         |                | 8. Well Name a      | NA<br>nd No.                |  |  |  |  |
| 2. Name of Operator                   |                             |                         |                | Federal 32-19-9-19  |                             |  |  |  |  |
| Gasco Production Company              | /                           |                         |                | 9. API Well No      |                             |  |  |  |  |
| 3a. Address                           |                             | 3b. Phone No. (incl     | ude area code) | 7                   | 43-047-38466                |  |  |  |  |
| 8 Inverness Drive East Ste            | 10. Field and Po            | ol, or Exploratory Area |                |                     |                             |  |  |  |  |
| 4. Location of Well (Footage, Sec., 7 | Wildcat                     |                         |                |                     |                             |  |  |  |  |
|                                       | 11. County or Pa            | arish, State            |                |                     |                             |  |  |  |  |
|                                       | SW NE of Section 19-T9S     | -R19E                   |                | Uintah County, Utah |                             |  |  |  |  |
| 12. CHECK APPRO                       | PRIATE BOX(S) TO INDICA     | ATE NATURE OF           | NOTICE, REPO   | RT, OR OTHE         | R DATA                      |  |  |  |  |
| TYPE OF SUBMISSION                    |                             | TY                      | PE OF ACTION   |                     |                             |  |  |  |  |
| X Notice of Intent                    | Acidize X                   | Deepen                  | Production (   | Start/ Resume)      | Water Shut-off              |  |  |  |  |
|                                       | Altering Casing             | Fracture Treat          | Reclamation    |                     | Well Integrity              |  |  |  |  |
| Subsequent Report                     | Casing Repair               | New Construction        | Recomplete     |                     | Other                       |  |  |  |  |
|                                       | Change Plans                | Temporarily             | Abandon        |                     |                             |  |  |  |  |
| Final Abandonment Notice              | Convert to Injection        | Plug back               | Water Dispos   | sal                 |                             |  |  |  |  |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true ventical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

This well is currently permitted to 13,060

Gasco Production Co would like to attempt to complete this well within the Mancos at 15,166

The maximum anticipated mud weight will be 11.5# gallon

The only change to the casing design will be the additional footage of 4-1/2" 15.1#/fi P-110 LT&C casing.

The cement design has been revised to accommodate the additional well depth. Additionally the cement system to be used has been revised as follows:

523 sacks of 35:65 Poz "G" 11.5 PPG, 3.05 yield

1857 sacks 50:50 Poz "G", 14.1 PPG, Yield =1.28 cu.ft/sk

This cement design should result in a cement top at 2500'. If hole conditions indicate, the number of sacks of cement will be increased to achieve a calculated cement top of 2500'. Final top of cement will be verified by CBL.

| Gasco will be installing a 3rd ram on the BOP stack                                      |   |                                     |
|--|---|-------------------------------------|
| 14. I hereby certify that the foregoing is true and correct.                             |   |                                     |
| Name (Printed Typed)   |   |                                     |
| Beverly Walker   | Title Engineerin                              | g Technician                        |
| Signature Sichelly (16/14  | Date Februar                                  | y 6, 2008                           |
| THIS SPACE FOR FED   | ERAL OR STATE OFFICE USE                      |                                     |
| Approved by  | BRADLEY G. HILL                               | Date 02-11-08                       |
| Conditions of approval, if any are attached. Approval of this notice does not warra      | ant of NVIRONMENTAL MANAGER                   |                                     |
| certify that the applicant holds legal or equitable title to those rights in the subject | lease Office ,                                |                                     |
|  | ereon.  |                                     |
| Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212 make it a crin             | ne for any person knowingly and will his male | and density or agency of the United |

States any false, fictitiousor fraudulent statements or representations as to any matter within its jurisdiction. (Instructions on page 2)

Form 3160- 5 (April 2004)

### **UNITED STATES** DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No 1004- 0137

|  | DOKEAU OF LANE  | MANAGEMENI                           |   |                           | Expires March 31, 2007                    |
|--|---|--------------------------------------|---|---------------------------|---|
|  | NDRY NOTICES AND ot use this form for propa   |                                      |   | 5. Lease Serial           | No.<br>UTU-76033<br>lottee, or Tribe Name |
| abanc  | ioned well. Use Form 3160   | 7-3 (APD) for such p                 | roposals.   | O. II INGIAN, AN          | NA  |
| SUBMIT IN TR   | IPLICATE - Other Instru   | ctions on reverse s                  | side.   | 7. If Unit or C/          | A. Agreement Name and/or No. NA           |
| Oil Well X Gas Well  2 Name of Operator  | Other   | CONFIDI                              | ENTIAL  | 8. Well Name a            |   |
| Gasco Production Company   | :   |                                      | 23 F V 1 0 J 1 (22)   |                           | ederal 32-19-9-19                         |
| 3a Address   |   | 3b Phone No truck                    | nde oraș coda   | 9. API Well No            | 43-047-38466                              |
| 8 Inverness Drive East Ste   | 100 Englewood, Co 8011  |                                      | 83-0044   |                           | ool, or Exploratory Area                  |
| 4. Location of Well Hootage, Sec., T   |   |                                      | 05 0011   | 1                         | Wildcat                                   |
|  |   |                                      |   | H. County or P            |   |
|  | SW NE of Section 19-T9  | S-R19E                               |   | Uir                       | ntah County. Utah                         |
| 12. CHECK APPROL   | PRIATE BOX(S) TO INDI   | CATE NATURE OF                       | NOTICE, REPOI   |                           |   |
| TYPE OF SUBMISSION   |   | TY                                   | PE OF ACTION  | ,                         |   |
| X Notice of Intent   | Acidize   | Deepen                               | Production ( 5  | Start/ Resume)            | Water Shut-off                            |
| į  | Altering Casing   | Fracture Treat                       | Reclamation   |                           | Well Integrity                            |
| Subsequent Report  | Casing Repair   | New Construction                     | Recomplete  |                           | X Other                                   |
|  | Change Plans  | Plug and abandon                     | Temporarily /   | handon                    | Change conductor depth                    |
| Final Abandonment Notice   | Convert to Injection  | Plug back                            | Water Dispos  |                           | Change Contactor depin                    |
| Production Compan<br>pipe would be ceme  | stated that we wonly would like to char<br>y would like to char<br>ented using 50 sx o<br>for well control in the | nge this to 40' of<br>f Premium Typo | of 13-3/8" H-<br>e 5 15.6 ppg<br>ow gas or wal<br>he<br>of<br>nin <b>g</b> F6 | 40 48# co.<br>z 1.18 yie. | nductor pipe. The<br>ld. Gasco will be    |
| 14. I hereby certify that the foregoing is Name (Printed Typed)  Rever!              | true and correct.  y Walker   | Title                                | Ç n.  | uingoring Tog             | hnicion                                   |
| Signature / 6  | , / , ,   | Data                                 | LII   | gineering Tec             | mician                                    |
| - Mickely 6  | Million   | Date                                 |   | February 6, 2             | 2008                                      |
|  | THIS SPACE FOI  | R FEDERAL OR ST                      | TATE OFFICE U   | SE                        |   |
| Approved by  |   | len i. a                             |   |                           |   |
| Conditions of approval, if any are attack  | ned Approval of this notice does  | Title not warrant or                 |   | Dat                       | <u>e</u>                                  |
| certify that the applicant holds legal or  | equitable title to those rights in the  | subject lease Office                 |   |                           |   |
| Title 18 U.S.C Section 1001 AND Tit<br>States any false, fictitiousor fraudulent sta | le 43 U.S.C. Section 1212, make   | it a crime for any person            | knowingly and willfu  | lly to make any o         | an e for a new Dhe United                 |
|  |   |                                      |   |                           |   |

(Instructions on page 2)

FEB 0 8 2008

#### STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

FORM 6

### **ENTITY ACTION FORM**

zip 80112

Operator:

**Gasco Production Co** 

Operator Account Number: N 2575

Address:

8 inverness Drive East, Ste 100

city Englewood

state Co

Phone Number: (303) 483-0044

Well 1

| 4304738466     | Federal 32-19-9-19 |             | SWNE | SWNE 19 9 |     |       | Uintah |
|----------------|--------------------|-------------|------|-----------|-----|-------|--------|
| Arthur Gode    | Charles Enth       | THE RESERVE | i s  | oud Dai   |     | ), En |        |
| А              | 99999              | 16710       | 2    | /18/200   | 8   | d     | 128/08 |
| Comments: Spud | Well MNC           |             |      |           | ONE | INFI  | TIAI   |

Well 2

| kel kurkeril | Yaling 1       | 06   | Seit TWO | Rng | a Southly |
|--------------|----------------|------|----------|-----|-----------|
| Action Code  | NAME OF STREET | 2 80 | id Date  |     |           |
| Comments:    |                |      |          |     |           |

| APLAuribed | iking (  | 1 60 | Sec     | Twip | Rig | ) do | intel 1 |
|------------|--|------|---------|------|-----|------|---------|
| Askir sus  | The Name of Street, St |      | pud Dal |      |     |      |         |
| Comments:  |  |      |         |      |     |      |         |

### ACTION CODES:

- A Establish new entity for new well (single well only)
- B Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

**Beverly Walker** 

Name (Please Print)

Signature

Engineering Technician

2/19/2008

Title

(5/2000)

RECEIVED

FEB 1 9 2008

Form 3160-5 (April 2004)

Final Abandonment Notice

(Instructions on page 2)

### **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED

OMB No. 1004- 0137

Expires: March 31, 2007 Lease Serial No.

| SU                                     | NDRY NOTICES AND RE  | PORTS ON WELLS                    | UTU-76033                                      |
|--|--|-----------------------------------|--|
|  | ot use this form for proposals<br>loned well. Use Form 3160-3 (/ |                                   | 6. If Indian, Allottee, or Tribe Name<br>NA    |
|  | IPLICATE - Other Instruction                                     | ns on reverse side.               | 7. If Unit or CA. Agreement Name and/or No. NA |
| 1. Type of Well Oil Well  Gas Well     | Other  |                                   | 8. Well Name and No.                           |
| 2. Name of Operator                    |  |                                   | Federal 32-19-9-19                             |
| Gasco Production Company               | •  |                                   | 9. API Well No.                                |
| 3a. Address                            |  | 3b. Phone No. (include area code) | 43-047-38466                                   |
| 8 Inverness Drive East Ste 1           | 00 Englewood, Co 80112   | 303-483-0044                      | 10. Field and Pool, or Exploratory Area        |
| 4. Location of Well (Footage, Sec., T. | , R., M., or Survey Description)                                 |                                   | Wildcat  |
|  | 2043' FNL & 2133' FEL  | •                                 | 11. County or Parish, State                    |
|  | SW NE of Section 19-T9S-R  | R19E                              | Uintah County, Utah                            |
| 12. CHECK APPROP                       | PRIATE BOX(S) TO INDICAT   | TE NATURE OF NOTICE, REPOR        | T, OR OTHER DATA                               |
| TYPE OF SUBMISSION                     |  | TYPE OF ACTION                    |  |
| X Notice of Intent                     | Acidize  | Deepen Production ( S             | tart/ Resume) Water Shut-off                   |
|  | Altering Casing  | Fracture Treat Reclamation        | Well Integrity                                 |
| Subsequent Report                      | Casing Repair  | New Construction Recomplete       | X Other Spud Well                              |
|  | Change Plans   | Plug and abandon Temporarily A    | bandon   |

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

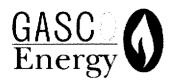
Water Disposal

This well was spud on 2/18/2008

Plug back

Convert to Injection

| 14. I hereby certify that the foregoing is true and correct.   |                   |               |                      |                        |           |          |                                       |
|--|-------------------|---------------|----------------------|------------------------|-----------|----------|---------------------------------------|
| Name (Printed/ Typed)  |                   |               |                      |                        |           |          |                                       |
| Beverly Walker   | Title             | e<br>         | lechnician echnician |                        |           |          |                                       |
| Signature )  | Date              | e             |                      |                        | Α         | pril 7,  | 2008                                  |
| / THIS SPACE FOR FED   | ERAI              | L OR S        | TATE                 | OFFICE                 | USE       |          |                                       |
| Approved by  | т                 | itle          | î                    | REC                    | EIV       | ED       | Date                                  |
| Conditions of approval, if any are attached. Approval of this notice does not warra  |                   |               | !                    | <del>- 1</del>         |           |          |                                       |
| certify that the applicant holds legal or equitable title to those rights in the subject which would entitle the applicant to conduct operations the | lease C<br>ereon. | Office        | #<br>57              | APR                    | 142       | 2008     | OR GAS & MINING                       |
| Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crir  | ne for            | any persor    | n kňow               | ingly and wil          | llfully t | o Hake a | ny department or agency of the United |
| States any false, fictitiousor fraudulent statements or representations as to any matter v   | within it         | ts jurisdicti | on.                  |                        | CAS       | & MININ  | VG                                    |
| (Instructions on page 2)   |                   |               | <del>- ט</del> ו     | <del>V. OF OIL</del> T |           |          |                                       |



# GASCO ENERGY DAILY DRILLING REPORT

CONFIDENTIAL TOPS RIPE S-19 43-049-38466

RKB 25.0

**AFE # 40105** 

GPS= N 40\*01.08' W 109\*49.28'

| Well: Fed 32-1 Current: Oper                     |                    | Permit Dep  | oth:              | Prog Depti                                 | h:             | Date:       |                  |                  | Days since spud   | :  |            | 1  |  |  |  |
|--|--------------------|-------------|-------------------|--|----------------|-------------|------------------|------------------|-------------------|--|------------|--|--|--|--|
| Current: Oper                                    | 19-9-19            | 4           |                   |  |                |             |                  |                  | ' '               |  |            |  |  |  |  |
| -  |                    | I           | 5,166             | 15,  |                |             | 5/27/2008        |                  |                   | 35   |            |  |  |  |  |
| Denth:   |                    |             |                   |  | PF             | REP RIG     | TO MOVE          | <u>5/28/2008</u> |                   |  |            |  |  |  |  |
| Depth:   | 15105'             | Prog:       | <del></del>       | D Hrs:                                     | 0.0            | ROP         | 0.0              | Formation:       |                   | NCOS TI  | D          |  |  |  |  |
| DMC:   | \$8,2              | 00          | TMC:              | \$321,000                                  |                |             | TDC              | \$152,400        | CUM Cost          |  | \$2,8      | 16,050   |  |  |  |
| Contractor:                                      |                    | NABORS 9    | 9                 | Mud Co:                                    | MI DRLC        | FLUIDS      | TANGIBL          | E COST           | INTA              | NGIBLE CO  | ST         |  |  |  |  |
| MW:  | 12.4               | #1 F-1000 3 | 3.5 gal/stk       | Bit #:                                     |                |             | Conductor:       | \$ -             | Loc,Cost:         |  | \$         |  |  |  |  |
| VIS:   | 43                 | SPM:        |                   | Size:                                      |                |             | Surf. Csg:       | \$               | Rig Move:         |  | \$         |  |  |  |  |
| PV/YP:   | 14/17              | #2 F-1000 3 | 3.5 gal/stk       | Туре:                                      |                |             | Int. Csg:        | \$ -             | Day Rate:         |  | \$         | 23,500   |  |  |  |
| Gel:   | 6/17               | SPM:        |                   | MFG:                                       |                |             | Prod Csg:        |                  | Rental Tools:     |  | \$         | 5,000  |  |  |  |
| WL:  | 20                 | GPM:        |                   | S/N:                                       |                |             | Float Equp:      |                  | Trucking:         |  | \$         | 2,500  |  |  |  |
| Cake:  | 2                  | Press:      |                   | Jets:                                      |                |             | Well Head:       | \$ -             | Water:            | <del></del>                                      | \$         | 1,000  |  |  |  |
| Solids:  | 18                 | AV DC:      |                   | Depth out:                                 |                |             | TBG/Rods:        | , .              | Fuel:             |  | \$         | 1,000  |  |  |  |
| MBT:   | 12.5               | AV DC.      |                   | Depth out.                                 |                |             |                  | \$ -             |                   |  |            | 04 500   |  |  |  |
| PH:  |                    |             |                   |  |                |             | Packers:         |                  | Casing Crew:      |  | \$         | 21,500   |  |  |  |
|  | 8.1                | JetVel:     |                   | FTG:                                       |                |             | Tanks:           | \$ -             | CAMP              |  | \$         | 350  |  |  |  |
| Pf/Mf:   |                    | ECD:        |                   | Hrs:                                       |                |             | Separator:       | \$ -             | Cement            |  | \$         | 84,950   |  |  |  |
| Chlor:   |                    | SPR #1 :    |                   | FPH:                                       |                | <u> </u>    | Heater:          | \$ -             | Bit:#             |  | \$         |  |  |  |  |
| Ca:  | 40                 | SPR #2 :    | <del></del>       | WOB:                                       |                | ļ           | HANGER           | \$ 1,900         | Mud Motors        |  | \$         |  |  |  |  |
| DAP/LCM  | 4/15               | Btms. Up:   |                   | R-RPM:                                     |                |             | Prime Mover:     | \$ -             | Consultant:       |  | \$         | 1,500  |  |  |  |
| · · · · · · · · · · · · · · · · · · ·            | e Break Dow        |             | Total D.T.        | M-RPM:                                     |                |             | Misc:            | \$ -             | Drilling Mud, and | I DP chem.                                       | \$         | 8,200  |  |  |  |
| START  | END                | TIME        | 56                | Total Rot.                                 | Hrs:           | 315.0       | Daily Total:     | \$ 1,900         | Misc. / Labor:    |  | \$2,000    | )  |  |  |  |
| 6:00   | 06:30              | .5          | FINISH CHANGING   | OVER TO LC                                 | NG BAILS       |             |                  |                  | shaker screens    |  | \$         |  |  |  |  |
| 6:30   | 09:00              | 2.5         | RIH W/CSG & P/U L | ANDING TO                                  | OL & LAND OU   | JT P/U 2'   |                  | Contingency Drig | -                 |  |            |  |  |  |  |
| 9:00   | 10:00              | 1           | CIRC. BOTTOMS U   | P GAS 4896 I                               | UNITS          |             |                  |                  | LOGGING           |  | \$         |  |  |  |  |
| 10:00  | 10:30              | .5          | R/U SCHLUMBERG    | R/U SCHLUMBERGER CMT HEAD Daily Total: \$1 |                |             |                  |                  |                   |  |            |  |  |  |  |
| 10:30  | 11:30              | 1           | CONTINUE CIRC. V  | VITH RIG PUI                               | MPS THRU CM    |             |                  | ВНА              |                   |  |            |  |  |  |  |
| 11:30  | 12:00              | .5          | HOLD PRE JOB SA   |  |                |             | 6000 PSLOK       |                  |                   |  |            |  |  |  |  |
| 12:00  | 15:00              |             | PUMP 20 BBLS CW   |  |                |             |                  | I D=2 22         |                   |  |            |  |  |  |  |
| 12.00  | 13.00              |             | H2O=10.82 GL/SK ( |  |                |             |                  |                  |                   |  |            |  |  |  |  |
|  | <del></del>        |             |                   |  |                |             |                  |                  |                   |  |            |  |  |  |  |
| 1  |                    |             |                   |  |                |             | DETURNS VIEW     |                  |                   | <del> </del>                                     |            |  |  |  |  |
| <b> </b>   |                    |             | 2ND TAIL SLURRY   |  |                |             |                  |                  |                   | <del>                                     </del> |            |  |  |  |  |
| -  |                    |             | 14.1 PPG. LOST RE |  |                |             |                  |                  |                   | <del>                                     </del> |            |  |  |  |  |
|  |                    |             | FEW RETURNS BU    | MP PLUG. EI                                | ND OF DISPLA   | CEMENT @ 2  | 24 BBLS PRESS 41 | 00 PSI BUMP      | R                 | <b>ECEI</b>                                      | <b>VEE</b> | <del>)                                    </del> |  |  |  |
| $\vdash$   |                    |             |                   |  |                |             | <del> </del>     |                  |                   | ~ .  |            |  |  |  |  |
| <del>                                     </del> |                    |             | PLUG TO 4800 PSI  | & FLOAT HE                                 | LD 2.5 BBLS E  | BACK EST TO | OF CMT @ 2,535'  |                  | N                 | AY 2.7   | 2002       | ·  |  |  |  |
| l  |                    |             | ļ                 |  |                |             |                  |                  |                   |  | 2000       |  |  |  |  |
| 15:00  | 21:00              | 6           | CLEAN MUD PITS    | & RELEASE F                                | RIG AT 21:00 H | IOURS       | ·                |                  | BIV OF            | OIL OAD  | 0 1471     | JINIA .  |  |  |  |
| 21:00  | 06:00              | 9           |                   |  | NIPPLE D       | OWN BOP     | s                |                  | DIV. OF           | OIL, GAS   | & MIL      | ING  |  |  |  |
|  |                    |             |                   |  |                |             |                  |                  |                   |  |            |  |  |  |  |
| <u> </u>   | <b>Total Hours</b> | 24          |                   | Depth                                      | Feet To Go     |             | Depth            | Feet To Go       |                   |  |            |  |  |  |  |
|  |                    |             | Wasatch           | 5525'                                      | -9580'         | Sunnyside   | 12305'           | -2800'           |                   |  |            |  |  |  |  |
|  |                    |             | Mesaverde         | 9385'                                      | -5720'         | Kenilworth  | 12535            | -2570'           |                   |  |            |  |  |  |  |
|  |                    |             | Lower Measverd    | 10935'                                     | -4170'         | Aberdeen    | 12645'           | -2460'           |                   |  |            |  |  |  |  |
|  |                    |             | Castlegate        | 11875'                                     | -3230'         | Spring cany | 12785'           | -2320'           | TOTAL BHA =       |  |            | 0.00   |  |  |  |
|  |                    |             | Desert            | 12095'                                     | -3010'         | Mancos      | 12915'           | -2190'           | Survey            | 14,200   | 2          | 2.25   |  |  |  |
|  |                    |             | Grassy            | 12205'                                     | -2900'         | TD          | 15085'           | -20'             | Survey            | 15,105   |            | 2.5  |  |  |  |
| P/U 3  | 335                |             | FLARE DRLG:       | N/A  | VENT           | YES         | GAS BUSTER       | NO               | BKG GAS           |  |            | N/A  |  |  |  |
|  | 281                |             | FLARE TRIP:       | 8'   | BOILER         |             | DEGASSER         | YES              | CONN GAS          |  |            | N/A  |  |  |  |
|  | 295                |             | LAST CSG. RA      |  | SET @          |             | KB 25.6          |                  | PEAK GAS          |  |            | 300  |  |  |  |
|  | Used:              | 820         | ON HAND           | 9,914                                      | <u></u>        | Co.Man      | JIM WEIR         |                  | TRIP GAS          |  |            | N/A  |  |  |  |
|  | 8                  | <u></u>     | ICS               | ocs  | DC             | LOC         | B/S              | G                | ODC               | RP   | <u> </u>   |  |  |  |  |
|  | N                  |             | 0                 | 1  | WT             | N           | X                | 1                | CT                | TD   |            |  |  |  |  |

Form 3160-4 (August 1999)

(See instructions and spaces for additional data on reverse side)

### **UNITED STATES** DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0137

Expires: November 30, 2000

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

|                          |                |                 |   |                  |             |             |           |                      | ····        |                |              | -        |           | UTL          | J-76033    |               |
|--------------------------|----------------|-----------------|---|------------------|-------------|-------------|-----------|----------------------|-------------|----------------|--------------|----------|-----------|--------------|------------|---------------|
| la. Type o               | f Well         | Oil             | Well  | ☑ Gas            | Dr.         | y (         | Other     |                      |             |                | € } 3        | 6        | . If Ind  | ian, Allotte | e or Tribe | Name          |
| b. Type o                | f Completion   | ):              |   | New              | Work O      | ver [       | Deepen    | П                    | Plug Back   | Di Di          | T. Resvr.    | -        |           | ŗ            | NA         |               |
|                          |                |                 |   | er               |             |             |           | -                    | ing Duck    |                | 1. ICC311.   | 7.       | . Unit c  |              |            | me and No.    |
| 2.31                     | 60             | <del></del> -   |   | ·                |             |             |           |                      |             |                |              | _        |           |              | NA         |               |
| 2. Name o                | •              |                 |   |                  |             |             |           |                      |             |                |              | 8.       | Lease     | Name and     |            | <del></del> - |
|                          | oduction (     | ompany          | ,   |                  |             |             |           |                      |             |                |              |          |           | Federal .    |            |               |
| <ol><li>Addres</li></ol> | s              |                 |   |                  |             |             |           | 3a. P                | hone No. (i | include ar     | ea code)     | 7-       |           |              | 34-17-7    | -17           |
| 8 Invern                 | ess Drive E    | ast Suite       | e 100. I  | Englewood,       | Colorado    | 80112       | !         |                      | 303.        | -483-004       | A            | ) 9.     | API W     |              |            |               |
|                          |                |                 |   | early and in a   |             |             |           | rements              | ) *         | 703-001        |              | $\dashv$ |           | 43-04        | 7-38466    |               |
|                          |                | •               |   |                  |             |             |           |                      | ,           |                |              | 10       | . Field   | and Pool,    | or Explora | atory         |
| At surface               |                |                 |   | 2043' FNL        | & 2133' F   | EL S        | W NE      |                      |             |                |              |          |           |              | rbend      | •             |
|                          |                |                 |   |                  |             |             |           |                      |             |                |              | 11       | . Sec.,   | T., R., M.,  |            | and           |
| At top pro               | d. interval re | ported bel      | ow  | same             |             |             |           |                      |             |                |              |          |           |              |            | T9S-R19E      |
|                          |                |                 |   |                  |             |             |           |                      |             |                |              | 12       | . Count   | ty or Parish | 1          | 13. State     |
| At total de              | <del></del>    |                 |   | same             |             |             |           |                      |             |                |              | 1        |           | Uintah       |            | Utah          |
| 14. Date S               | Spudded        |                 | İ   | 15. Date T.D     | . Reached   |             |           |                      | te Comple   | ted            |              | 17.      | . Eleva   | tions (DF,   | RKB, RT    | , GL)*        |
|                          | 02/18/0        | 8               |   |                  | 02/18/0     | 08          |           | 4/2                  | D&A         |                | ady to Prod. | İ        |           |              | r GL       |               |
| 10 T . I                 | D 41 1         | 445             |   |                  |             |             |           | <u> </u>             | 00          | 6/11/08        |              |          |           |              | , GL       |               |
| 18. Total                | -              | 1D<br>VD        | 40  | ]19              | Plug Back   | LD,:        | MD        | 0                    |             |                | 20. Depth    | Bridge   | Plug Se   |              | NA         |               |
| 21 Tomal                 |                |                 | 40  |                  |             |             | TVD       | 0                    |             |                |              |          |           | TVD          | NA         |               |
| 21. Type                 | Hectric & Ot   | ner Mech        | anical L  | ogs Run (Sub     | mit copy of | each)       |           |                      |             | 22. Wa         |              |          | _         |              | ubmit cop  |               |
|                          |                |                 |   |                  |             |             |           |                      |             | Wa             | s DST run?   |          |           | Yes (S       |            |               |
|                          |                |                 |   | Non              |             |             |           |                      |             | Dir            | ectional     |          | No No     | ☐ Yes        | (Submit    | сору)         |
| 23. Casing               | and Liner R    | ecord (R        | eport al  | l strings set ii | n well)     |             |           |                      |             |                |              |          |           |              |            |               |
| Hole Size                | Size/Grade     | : Wt. (#        | //n )   | Top (MD)         | Botton      | n (MD)      | Stage Ce  | menter               | No. of      | Sks. &         | Slurry V     | ol.      | Como      | *            | Γ.         | . D. H. I     |
|                          |                | .,,,,           | ,,,   |                  |             | . (171127)  | Dep       | th                   | Type of     | Cement         | (BBL)        |          | Ceme      | nt Top*      | Amo        | ount Pulled   |
| 24''                     | 16" H40        | 65              | #   | 0                |             | 40          |           |                      | Ready M     | ix w/retu      | rns to surfa | ce       |           |              |            |               |
|                          |                |                 |   |                  |             |             |           |                      |             |                |              |          |           |              | 1          |               |
|                          |                |                 |   |                  |             |             |           |                      |             |                |              |          |           |              | †~         |               |
|                          |                |                 |   |                  |             |             |           |                      |             |                |              |          |           |              |            |               |
|                          | <u> </u>       |                 |   |                  |             |             |           |                      |             |                |              |          | -         |              | İ          |               |
| 24. Tubing               | g Record       |                 |   |                  |             |             |           |                      |             |                |              |          |           |              |            |               |
| Size                     | Depth S        | et (MD)         | Pack  | er Depth (MD     | )) Si       | ze          | Depth Set | (MD)                 | Packer De   | epth (MD)      | Siz          | e        | Dei       | pth Set (Mi  | D) Pac     | ker Set (MD)  |
|                          |                |                 |   |                  |             |             |           |                      |             |                |              |          | <u> </u>  |              |            | (,            |
| 25. Produc               | ing Intervals  | :               |   |                  |             |             | 26. Perfo | ration F             | Record      |                |              |          |           |              |            |               |
|                          | Formatio       | n               |   | Тор              | Bot         | lom         | Per       | forated              | Interval    |                | Size         | No       | . Holes   | 1            | Perf. St   | atus          |
| A)                       | NA             |                 |   |                  |             |             |           | ****                 |             |                |              |          | -         | $\vdash$     |            |               |
| B)                       |                |                 |   |                  |             |             |           |                      |             |                |              |          |           |              | 1-2        |               |
| C)                       |                |                 |   |                  |             |             |           |                      |             |                |              |          |           |              |            |               |
| D)                       |                |                 |   |                  |             |             |           |                      |             |                |              |          |           |              |            |               |
| E)                       |                |                 | L   |                  |             |             | L         |                      |             |                |              |          |           |              |            |               |
| 27. Acid,                | racture, Trea  |                 | ement S   | queeze, Etc.     |             |             |           |                      |             |                |              |          |           |              |            |               |
|                          | Depth Inter    | val             |   |                  |             |             |           |                      | Amount an   | nd type of     | Material     |          |           |              |            |               |
|                          |                |                 |   |                  |             |             |           |                      |             |                | •            |          |           |              |            |               |
|                          |                |                 |   |                  |             |             |           |                      |             |                |              |          |           |              |            |               |
|                          |                |                 |   |                  |             |             |           |                      |             |                |              |          |           |              |            |               |
|                          | ·              |                 |   |                  |             |             |           |                      |             |                |              |          | <u>-</u>  |              |            |               |
| 20 Dec 4                 | tion - Interva | 1.4             |   |                  |             |             |           |                      |             |                |              |          |           |              |            |               |
| Date First               | Test           | T               | Test  | Oil              | Con         | Iv.         |           | 010-                 |             |                |              | τ        |           |              |            |               |
| Produced                 | Date           | Hours<br>Tested | Produc  | i i              | Gas<br>MCF  | Wate<br>BBL | I I       | Oil Grav<br>Corr. AP | -           | Gas<br>Gravity |              | Produc   | tion Meth | od           |            |               |
|                          |                | 1               |   | <b>&gt;</b>      |             | D.D.C.      |           | Con. Ai              |             | Cravity        |              |          |           | NIA DI       |            |               |
| Choke                    | Tbg. Press     | Csg.            | 24 Hr.  | Oil              | Gas         | Wate        |           | Oil Grav             | itv         | Well Status    | :            | <u> </u> | -         | NA - Pl      | uggeu      |               |
| Size                     | Flwg           | Press.          | Rate  | BBL              | MCF         | BBL.        |           | Corr. AF             | -           | or on Status   | •            |          |           |              |            |               |
|                          | SI             | l               | <b> </b>  | <b>→</b>         |             |             |           |                      |             |                |              |          |           |              |            |               |
| 28a.                     | l <del></del>  | •               |   | ·                |             |             |           |                      |             | L              |              |          |           |              |            |               |
| Date First               | Test           | Hours           | Test  | Oil              | Gas         | Wate        | т Т       | Oil Grav             | ity         | Gas            |              | Produc   | tion Meth | od           |            |               |
| Produced                 | Date           | Tested          | Produc  |                  | MCF         | BBI.        | L         | Corr. AP             |             | Gravity        |              |          |           |              |            |               |
|                          |                |                 | $oldsymbol{ol}}}}}}}}}}}}}}}}}$ | <b>→</b>         |             |             |           |                      | -           |                |              | 1        |           |              |            |               |
| Choke                    | Tbg. Press.    | Csg.            | 24 Hr.  | Oil              | Gas         | Wate        |           | Oil Grav             |             | Well Status    |              |          |           |              |            |               |
| Size                     | Flwg.          | Press           | Rate  | BBI.             | MCF         | BBI.        | ľ         | Соп. АР              | ·i          |                |              |          |           |              |            |               |
|                          | SI             | I               |   | <del></del>      |             | 1           | i         |                      | ŀ           |                |              |          |           |              |            |               |

| 28b.   | <del></del>                                 |                                 | _              |                           |                               |                                  |                                  |              |                       |  |
|--|---|---------------------------------|----------------|---------------------------|-------------------------------|----------------------------------|----------------------------------|--------------|-----------------------|--|
| Date First   | Test  | Hours                           | Test           | Oil                       | Gas                           | Water                            | Tou Cit                          | 10.0         | <u> </u>              |  |
| Produced   | Date  | Tested                          | Production     | BBL                       | MCF                           | BBL                              | Oil Gravity<br>Corr. API         | Gas Gravity  | Production Method     |  |
| Choke<br>Size  | Tbg. Press.<br>Flwg.<br>Sl                  | Csg.<br>Press.                  | 24 Hr.<br>Rate | Oil<br>BBL                | Gas<br>MCF                    | Water<br>BBI.                    | Gas : Oil<br>Ratio               | Well Status  |                       |  |
| 28c. Pro   | duction - Inter                             | rval E                          | <u> </u>       | <u> </u>                  |                               |                                  |                                  |              |                       |  |
| Date First   | Test  | Hours                           | Test           | Oil                       | Gas                           | Water                            | Oil Gravity                      | Gas Gravity  | Production Method     |  |
| Produced   | Date  | Tested                          | Production     | BBL                       | MCF                           | BBL.                             | Corr. API                        | Jan Grann,   | Troduction Welliou    |  |
| Choke<br>Size  | Tbg. Press.<br>Flwg.<br>SI                  | Csg.<br>Press.                  | 24 Hr.<br>Rate | Oil<br>BBL                | Gas<br>MCF                    | Water<br>BBL                     | Gas : Oil<br>Ratio               | Well Status  |                       |  |
| 29. Disp   | osition of Gas                              | (Sold, used                     | for fuel. ven  | led, etc.)                | •                             |                                  |                                  |              |                       |  |
| 30. Sumi   | mary of Porou                               | is Zones (Inc                   | lude Aquifer   | s):                       |                               |                                  |                                  | 31. Formatio | n (Log) Markers       |  |
| tests,   | vall importan<br>including de<br>ecoveries. | t zones of po<br>pth interval t | erosity and co | ntents thereon used, time | of: Cored in<br>tool open, fl | ntervals and a<br>lowing and shu | II drill-stem<br>it-in pressures |              |                       |  |
| For  | mation                                      | Тор                             | Bottom         |                           | Descrip                       | tions, Content                   | s, etc.                          |              | Name Top Meas. Depth  |  |
| 32. Addit  | tional remarks                              | (include plu                    | Igging proced  | lure):                    |                               |                                  |                                  |              |                       |  |
| 33. Circle   | e enclosed atta                             | achments:                       |                |                           |                               |                                  |                                  |              |                       |  |
| 5. Su  | ectrical/Mech<br>indry Notice f             | or plugging                     | and cement v   | erification               | 5.                            | Geologic Repo                    | 7. Otl                           |              | 4. Directional Survey |  |
| 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)* |   |                                 |                |                           |                               |                                  | ·                                |              |                       |  |
| Name (please print) Beverly Walker   |   |                                 |                | Title                     | Engineering Technician        |                                  |                                  |              |                       |  |
| Signature Willer Collection  |   |                                 |                |                           | Date                          |                                  | 6/26/2008                        |              |                       |  |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

|     | γ. |      |      |    |
|-----|----|------|------|----|
| , p |    | 2 to | 43.5 |    |
|     | 4" |      |      | 17 |
|     |    |      |      |    |

|  | STATE OF UTAH DEPARTMENT OF NATURAL RESOU  | RCES                            |   |  | FORM 9              |
|--|--|---------------------------------|---|--|---------------------|
|  | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76033  |                                 |   |  |                     |
| SUNDR  | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:  |                                 |   |  |                     |
| Do not use this form for proposals to drill drill horizontal | 7. UNIT or CA AGREEMENT NAME:  |                                 |   |  |                     |
| 1. TYPE OF WELL OIL WELL                                     | als.   | 8. WELL NAME and NU             | IMBER:  |  |                     |
| 2. NAME OF OPERATOR:   | GAS WELL OTHER_  |                                 |   | Federal 32-19 9. API NUMBER:   | -9-19               |
| GASCO PRODUCTION (   | COMPANY  |                                 |   | 4304738466   |                     |
| 3. ADDRESS OF OPERATOR:<br>8 INVERNESS DR E, #100            | Y ENGLEWOOD STATE CO   | 80112                           | PHONE NUMBER: (303) 483-0044                  | 10. FIELD AND POOL, OR WILDCAT: Riverbend  |                     |
| 4. LOCATION OF WELL  | STATE OF STATE   | 00112                           | (303) 483-0044                                | Kiverbellu   |                     |
| FOOTAGES AT SURFACE: 2043'                                   | FNL & 2133' FEL  |                                 |   | соинту: Uintah   |                     |
| QTR/QTR, SECTION, TOWNSHIP, RAI                              | NGE, MERIDIAN: SWNE 19 9S 1  | 19E                             |   | STATE:   | UTAH                |
| 11. CHECK APP  | ROPRIATE BOXES TO INDICAT  | E NATURE                        | OF NOTICE, REPO                               | RT, OR OTHER   | DATA                |
| TYPE OF SUBMISSION   |  |                                 | YPE OF ACTION                                 |  |                     |
| NOTICE OF INTENT   | ACIDIZE  | DEEPEN                          |   | REPERFORAT   | E CURRENT FORMATION |
| (Submit in Duplicate)  | ALTER CASING   | FRACTURE                        | TREAT   | SIDETRACK TO   | REPAIR WELL         |
| Approximate date work will start:                            | CASING REPAIR  | NEW CONS                        | TRUCTION                                      | TEMPORARILY  | ABANDON             |
|  | CHANGE TO PREVIOUS PLANS   | OPERATOR                        | CHANGE  | TUBING REPA  | R                   |
|  | CHANGE TUBING  | PLUG AND                        | ABANDON                                       | VENT OR FLAF   | !E                  |
| SUBSEQUENT REPORT (Submit Original Form Only)                | CHANGE WELL NAME   | PLUG BACK                       | (   | WATER DISPO  | SAL                 |
| Date of work completion:                                     | CHANGE WELL STATUS   | PRODUCTE                        | ON (START/RESUME)                             | WATER SHUT-  | OFF                 |
|  | COMMINGLE PRODUCING FORMATIONS   | RECLAMAT                        | ION OF WELL SITE                              | OTHER:   |                     |
|  | CONVERT WELL TYPE  | RECOMPLE                        | TE - DIFFERENT FORMATION                      |  |                     |
| 12. DESCRIBE PROPOSED OR C                                   | OMPLETED OPERATIONS. Clearly show all p  | pertinent details inc           | cluding dates, depths, volume                 | es, etc.   |                     |
| with Class G cement. On returns to surface. On 6/1           | 18/2008 and drilled a 24" hole to a 4/13/2008 a rig skid occurred and 1/2008 (after an inspection by the location, and operator, was permater. | d the original<br>e BLM that th | hole was plugged wi<br>is well was in fact ce | ith 5 sx of class one class of the content of the c | g cement with full  |
|  |  |                                 |   |  | CEIVED              |
|  |  |                                 |   | OU on a  | . <del>- •</del>    |

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) Beverly Walker **Engineering Technician** TITLE 6/26/2008 SIGNATURE

(This space for State use only)

Form 3160- 5 (April 2004)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

FORM APPROVED

OMB No. 1004- 0137

### D MANAGEMENT Expires: March 31, 2007

| SUBMIT IN TE                          |   | UTU-76033<br>Allottee, or Tribe Name<br>NA |                  |                             |   |  |  |
|---------------------------------------|---|--|------------------|-----------------------------|---|--|--|
| SUBMIT IN TR                          | /. If Unit or C   | A. Agreement Name and/or No.               |                  |                             |   |  |  |
| Oil Well X Gas Well                   | Other   |  |                  | 8. Well Name                |   |  |  |
| 2. Name of Operator                   |   |  |                  | -                           | odoral 22 103/0 10                      |  |  |
| Gasco Production Company              | y   |  |                  | 9. API Well N               | Federal 32-19 <b>X</b> -9-19            |  |  |
| 3a. Address                           |   | 3b. Phone No. (inc                         | clude area code) | 1                           | 43-047- <del>40233</del> 384 66         |  |  |
| 8 Inverness Drive East Ste            | 100 Englewood, Co 80  | 0112 303-4                                 | 183-0044         | 10. Field and I             | 10. Field and Pool, or Exploratory Area |  |  |
| 4. Location of Well (Footage, Sec., 7 |   |  |                  | Wildcat                     |   |  |  |
|                                       | 2043' FNL & 2133  |  |                  | 11. County or Parish, State |   |  |  |
|                                       | SW NE of Section 19-  |  |                  | Ui                          | intah County, Utah                      |  |  |
| 12. CHECK APPROI                      | PRIATE BOX(S) TO IN   | DICATE NATURE OF                           | NOTICE, REPO     | RT, OR OTHI                 | ER DATA                                 |  |  |
| TYPE OF SUBMISSION                    |   | Т  |                  |                             |   |  |  |
| Notice of Intent                      | Acidize   | Deepen                                     | Production (     | Start/ Resume)              | Water Shut-off                          |  |  |
| <b></b>                               | Altering Casing   | Fracture Treat                             | Reclamation      |                             | Well Integrity                          |  |  |
| X Subsequent Report                   | Casing Repair   | New Construction                           | Recomplete       |                             | X Other Spud Well                       |  |  |
|                                       | Change Plans  | Plug and abandon                           | Temporarily A    | Abandon                     |   |  |  |
|                                       | Final Abandonment Notice Convert to Injection Plug back Water Dispo- ibe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of proposal is to deepen directionally or recomplete horizontally give up and on the starting date of |  |                  |                             |   |  |  |

If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

This well was spud on 2/18/2008

RECEIVED AUG 1 1 2008

DIV. OF OIL, GAS & MINING

| 14. I hereby certify that the foregoing is true and correct.  Name (Printed/ Typed)   |   |  |  |  |  |  |
|---|---|--|--|--|--|--|
| Beverly Walker  | Title En  | gineering Technician                               |  |  |  |  |
| Signature Dule Let Let Let Ch   | Date  | August 5, 2008                                     |  |  |  |  |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE  |   |  |  |  |  |  |
|   |   |  |  |  |  |  |
| Approved by   | Title   | Date   |  |  |  |  |
| Conditions of approval, if any are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease Office which would entitle the applicant to conduct operations thereon. |   |  |  |  |  |  |
| Title 18 U.S.C. Section 1001 AND Title 43 U.S.C. Section 1212, make it a crime States any false, fictitiousor fraudulent statements or representations as to any matter with  | for any person knowingly and willfuthin its jurisdiction. | lly to make any department or agency of the United |  |  |  |  |
| Instructions on page 2)   |   |  |  |  |  |  |